Daily Report

Latin America

FBIS-LAT-91-046
Friday
8 March 1991

Daily Report
Latin America

FBIS-LAT-91-046 *8 March 1991*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

CARIBBEAN

Cuba

Amended UN Human Rights Resolution Denounced 1
Minister Vows To 'Not Yield' *[Havana TV]* 1
Commission's Decision Discussed *[Havana Radio]* 1
Officials View Efforts Against Drug Trafficking *[Havana TV]* 2
Castro Opens Computer Club Center in Havana *[Havana Radio]* 4
DPRK's Choe Kwang Visits Military Brigade *[Havana TV]* 4
Central Bank Governors Meeting Opens 7 Mar *[Havana Radio]* 4

CENTRAL AMERICA

Costa Rica

* 1990 Inflation Rate Amounts to 27.25 Percent *[LA NACION 8 Jan]* 5
* Diverse Economic Initiatives Needed in 1991 *[LA NACION 1 Jan]* 5
* CINDE To Create 11,000 Jobs in 1991 *[LA NACION 7 Feb]* 6
* National Campaign Against Poverty Initiated 6
* Campaign Announced, Explained *[LA NACION 2 Feb]* 6
* 1991-1994 Employment Plan *[LA NACION 2 Feb]* 7
* 1990 Growth of Tourist Industry Described *[LA NACION 1 Jan]* 10

El Salvador

Arena, PDC, CD Leaders on Outcome of Elections *[LA PRENSA GRAFICA 6 Mar]* 11
Polling Stations in FMLN Areas Said Unlikely *[San Salvador Radio]* 12
Inflexibility of Electoral Procedures Criticized *[San Salvador TV]* 12
FMLN Denies 'Alleged' Links to UDN *[Radio Venceremos]* 12
Coprefa, FMLN Report Casualties in Fighting *[ACAN]* 13

Guatemala

Costa Rica Possible Site for Talks With Rebels *[ACAN]* 13
Rebels Damage Helicopter; Inflict 7 Casualties *[EL GRAFICO 1 Mar]* 13

Nicaragua

Government Talks With Workers Front Suspended 13
Salary Demand Causes Rift *[Managua TV]* 13
Police Evict Customs Workers *[Managua Radio]* 14
Protesters Occupy Bank Complex *[BARRICADA 6 Mar]* 14
Godoy Reviews First Year, UNO Alliance *[EL NICARAGUENSE 26 Feb-4 Mar]* 14
FSLN Issues Communique on Congress Proceedings *[BARRICADA 26 Feb]* 16

SOUTH AMERICA

Argentina

Menem on Postwar Issues, UN Vote on Cuba *[Buenos Aires TV]* 18
Menem Meets With Coalition Nation Ambassadors *[TELAM]* 19

Israel's Levi Requests Support Against Iraq *[NOTICIAS ARGENTINAS]* 20
Di Tella Views Human Rights Vote, Policy Issues *[NOTICIAS ARGENTINAS]* 20
Vote on Human Rights Investigation in Cuba Viewed *[NOTICIAS ARGENTINAS]* 21
Minister Denies Suspension of Debt Payments *[NOTICIAS ARGENTINAS]* 21
Menem In-Laws Reportedly Linked to Drug Case *[BUENOS AIRES HERALD 7 Mar]* 21
IDB Approves $200-Million Development Loan *[BUENOS AIRES HERALD 7 Mar]* 22

Bolivia

Foreign Minister Terms U.S. Relations 'Normal' *[La Paz Radio]* 22
Negotiations With COB End; Workers Dissatisfied *[PRESENCIA 2 Mar]* 23
IDB Loans $80-Million to Development Agency *[EL DIARIO 2 Mar]* 23
Japan Makes Donation for Structural Adjustments *[PRESENCIA 28 Feb]* 23
Inflation Rate Totals 0.27 Percent for Feb *[PRESENCIA 2 Mar]* 23

Brazil

Foreign Minister Francisco Rezek Interviewed *[FOHLA DE SAO PAULO 1 Mar]* 23
Government To Choose Foreign Satellite Launcher *[O GLOBO 28 Feb]* 24
Feb Inflation Rate Totaled 21.87 Percent *[Madrid EFE]* 24

Chile

Generals Release Communique Supporting Pinochet *[Santiago Radio]* 25
Aylwin's Letter to Supreme Court Disclosed *[Santiago Radio]* 25
Supreme Court Denounces Threat Campaign *[Santiago Radio]* 25
Aylwin Responds to Supreme Court Request *[Santiago TV]* 26
Foreign Victims Listed in Human Rights Report *[Madrid EFE]* 26
Government Donates $50,000 to Unicef Gulf Fund *[Santiago Radio]* 27

Colombia

President Reiterates Call for New Social Pact *[Bogota TV]* 27

Paraguay

Colorado President Explains Resolution on Debt *[HOY 6 Mar]* 27

Peru

President Fujimori Visits 2d Military Region *[Lima TV]* 28

Uruguay

Government Cuts Taxes Anticipating Common Market *[Madrid EFE]* 28

Guyana

Customs Chief Corrects CET Misinformation *[CANA]* 29

Cuba

Amended UN Human Rights Resolution Denounced

Minister Vows To 'Not Yield'

FL0703162991 Havana Tele Rebelde Network in Spanish 1200 GMT 7 Mar 91

[Text] Under strong U.S. pressure, Cuba has rejected the resolution adopted in Geneva by the UN Human Rights Commission. The resolution authorizes the appointment of a special representative to investigate alleged violations occurring in our country since 1988. The resolution was adopted after the United States managed to impose two amendments to a Latin America draft that proposed a compromise to promote cooperation between the UN Human Rights Commission and Cuba.

Foreign Vice Minister Raul Roa Kouri, head of the Cuban delegation to Geneva, said that not a single comma of this Latin America draft amended by the United States will be accepted. He added that Cuba will not yield to an imposition in this or any other area.

Commission's Decision Discussed

FL0703164591 Havana Radio Rebelde Network in Spanish 1255 GMT 7 Mar 91

["Exclusive" telephone interview from Geneva with Vice Minister Raul Roa Kouri, Cuban representative to the UN Human Rights Commission, by unidentified reporter; date not given—live or recorded]

[Text] [Reporter] It is a well-known fact that Cuba has rejected an infamous UN resolution against Cuba. In addition, we have reported that this resolution was imposed in light of strong Yankee pressure at the UN Human Rights Commission. What can you tell us about it, Comrade Raul?

[Roa] I can tell you that what is most important is the unity shown by a large group of Latin American and nonaligned countries regarding a draft resolution that this group had submitted. This group comprised countries like Colombia, Mexico, Peru, and Venezuela, as well as other nonaligned countries like India, Ghana, Angola, and Yugoslavia.

This draft resolution was based on the report submitted by the secretary general on the results of meetings he has been holding with the Cuban Government in keeping with the 1989/113 Human Rights Commission decision.

The secretary general has described these meetings as useful. He also expressed his willingness to continue holding these meetings. Moreover, the Cuban Government has agreed to continue holding these meetings, which are similar to those the secretary general maintains with all governments without discrimination of any kind. Therefore, we had no problem in continuing to hold these meetings.

This is what was established in the draft resolution submitted by the Latin American and nonaligned countries. This group of countries and the U.S. delegation held negotiations to seek a concensus text that would not discriminate against Cuba, that would not impose things we refused to accept. These negotiations failed because the United States refused to accept this resolution or any Human Rights Commission decision based on the secretary general's suggestions or on the Cuban Government's willingness to hold future meetings with the secretary general on the same terms as those the secretary general holds with all member countries. Of course, it also refused to accept Cuba's willingness to continue cooperating with the UN system based on Resolution 1503 issued by the Economic and Social Council.

The United States wanted to impose a monitor on Cuba. It wanted to impose a mechanism that is used exclusively in countries where there are reports of flagrant and massive human rights violations. This of course was not accepted by the Latin American and nonaligned countries that had submitted the other draft resolution. In light of this, the United States simply submitted amendments to this draft resolution.

These amendments were voted on and approved by the Human Rights Commision because certain countries, which shall go unmentioned—but which should have voted in favor and supported the position upheld by the Latin American and nonaligned group—yielded to U.S. pressures, thus allowing the approval of these amendments.

[Reporter] Excuse me, but according to a relay we had with Buenos Aires today, the Buenos Aires media is very alarmed, that is, it was taken by surprise because no one expected Argentina to get involved in this issue.

[Roa] Involved in what sense?

[Reporter] To vote in favor of the U.S. draft resolution.

[Roa] Well, Argentina was one of the original writers of the Latin American draft resolution. Until the very last minute, Argentina had supported this position [words indistinct]....

[Reporter, interrupting] What happened....?

[Roa, interrupting] ...different opinion from the government.

[Reporter] What do you think happened?

[Roa] Well, you should ask the Argentine Government. I do not know the reason, but there was an obvious change in the Argentine Government's position, an inexplicable change of position. If the Argentine media is concerned, so is everyone in the Human Rights Commission because....

[Reporter, interrupting] Why?

[Roa, interrupting] Because these things do not happen all of a sudden.

[Reporter] There is talk about a direct phone call from Washington to Argentina.

[Roa] Well, you should ask President Menem about this, but I cannot answer this question.

[Reporter] Comrade Raul, what position will Cuba adopt now?

[Roa] Well, we stated at the Human Rights Commision that in view of the amendments to the draft resolution submitted by the Latin American group, Cuba would vote against it, and it did. We also condemned what is subjacent in all this, that is, this deals exclusively with the imperialist U.S. Government's efforts to impose its positions on the Cuban revolution.

I also said that we reject all U.S. Government's impositions on this or other matters. Therefore, if this draft resolution was approved not a single comma of this resolution will be honored by Cuba nor will we feel compelled to comply with it.

What is most important of all this is that in spite of the current international framework, which is characterized by the ever-increasing prepotency and arrogance of the empire, a group of Latin American and nonaligned countries has adopted a position against the will of the empire. They have expressed their support for Cuba. This is particularly important at the regional level because the United States is being told: We do not want you to impose this policy on the Cuban Government. We have a different position. We support the Cuban Government's right not to be discriminated by the Human Rights Commission or by any other UN organization. This is what they have upheld.

I think this is very important because of the political implications this entails, and the value it has in light of the current international situation.

[Reporter] Thank you very much, Comrade Raul.

[Roa] Not at all.

Officials View Efforts Against Drug Trafficking

FL0703174491

[Editorial Report] Havana Cuba Vision Network in Spanish at 0200 GMT on 6 March begins broadcasting its weekly "Agenda Abierta" program conducted by Antonio Resillez.

The program begins with a recorded clip explaining that "Cuban Interior Ministry [Minint] studies on drug trafficking activities around Cuba conclude that drug trafficking is centered primarily in northern Cuban territorial waters and in the waters south of the Bahamas. The studies also state these activities are coordinated, and directed by bases located in Miami, Florida. The studies showed that in most operations, one or more speed boats from southern Florida pick up drugs and then transport them to the U.S. coast."

The clip also includes an interview with drug traffickers Perez Ortega and Octavio G. Demouizi. Ortega explains he has been serving a prison term since 1985 for drug trafficking and drug smuggling. He adds he was intercepted by the Cuban Coast Guard while transporting 7,000 pounds of marijuana from Jamaica to Key West, Florida. Demouizi says he was arrested off the coast of Moa for transporting drugs. (passage indistinct)

After this, Resillez introduces guests Amado Guntin, vice minister of justice; Rolando Lopez del Amo, director of the Foreign Ministry (Minrex) international organizations directorate; Colonel Ramon San Yee, head of the (passage indistinct) anti-drug department. Resillez adds that anti-drug experts are also present.

Answering Resillez on a multidisciplinary anti-drug group, Gauntin states that (passage indistinct) drug trafficking is today the international community's most important concern. Gauntin stresses that despite this bleak picture, "drug trafficking does not constitute a social problem in Cuba." He adds that from "the very beginning, Cuba has participated in UN efforts to confront this issue." Gauntin states that in keeping with UN recommendations, a intergovernmental group was established several years ago to coordinate the anti-drug struggle.

He explains that "this intergovernmental commission comprises several state organizations: The Justice Ministry is the coordinator of this group that encompasses the Interior Ministry represented here today by Colonel San Yee; the Minrex, represented by Rolando Lopez del Amo; and the Health Ministry [passage indistinct]. He explains that the main objective of this commission is to channel common efforts, programs, plans, and actions to answer international organizations' concerns at both the national and international level.

Responding to Resillez on activities carried out by the Minint national anti-drug department, which he heads, San Yee says that "the national anti-drug department was established in October 1989 after case No. 1 of 1989." He adds that this department was created "to link all efforts made to combat drug tafficking through three basic means: by not allowing Cuba to be used as a drug trafficking route; by protecting [words indistinct] both intentionally and unitentionally; and by cooperating through every possible means with the international community, particularly Caribbean countries, in the struggle against this scourge." San Yee says that one of the many existing drug routes passes through Cuba, and that because of its geographical location, Cuba is a fast and relatively safe route. He explains how drug traffickers transport drugs by air by violating air routes and by sea. (passage indistinct) San Yee adds that in close cooperation with the Revolutionary Armed Forces and social sectors, the Minint has organized its forces to

control drug trafficking activities. Answering Resillez he says that "since 1970, Cuba has arrested a total of 424 drug traffickers. Virtually 50 percent of those arrested are U.S. citizens, and many are citizens of Cuban origin who reside in the United States. The accumulative amount of drugs seized over this period totals approximately five tons of cocaine and about 124 tons of marijuana. In addition we have seized several means of transportation. We have seized a total of 31 airplanes, and 77 boats among them, yachts, tugboats, and speed boats."

In response to viewers' questions posed by Resillez, Colonel San Yee explains that after the drug is seized by the different forces it is first tested in keeping with a UN system, weighed and controlled. He adds that later drugs are incinerated and that Minint officials, laboratory experts, and a judge are always present to witness this incineration process. In reply to another viewer's question on the possible introduction of drugs by tourists, San Yees says that it would not be a profitable business for any drug trafficker to sell drugs in Cuba because it is a country free of drugs. He adds that the Minint, with the cooperation of other national institutions, among them the customs office, has implemented measures to solve each pertinent case.

Answering another viewer's question about the supply of information on drug seizures to international organizations, San Yee says that in keeping with UN proceedures all member countries must annually report the amount of drugs seized and the intended destinations of those drugs. (passage indistinct)

Lopez del Amo says that Guntin and San Yee have explained the close cooperation of their respective departments with UN special organizations. He states that his office closely follows and participates in the activities carried out by specialized organizations headquartered in Vienna as well as by other regional organizations. (passage indistinct) Lopez del Amo states that another problem raised in international organizations is not to use the struggle against drug trafficking as a pretext to violate the sovereignty of countries. He adds: "We have already witnessed negative trends in this regard, for example the attack against the Herman ship and the invasion of Panama. Therefore, we have had to decisively confront within the United Nations those forces which have strived to use drugs as a pretext for intervening in the internal affairs of other countries."

An unidentified speaker says that in international fora, Cuba has always expressed its willingness to cooperate in the struggle against drug trafficking if a serious and coherent effort is made based on the strict respect of the sovereignty of nations. He adds that this struggle is not resolved by merely implementing measures against production centers because it is an issue that also encompasses the plundering of resources of Third World countries, of developing countries, and the foreign debt issue.

Lopez asserts that Cuba has not only expressed its willingness to cooperate with all international organizations but also at the bilateral level by signing several agreements. He adds: "For example we have an agreement with Mexico, with Venezuela; and we are willing to achieve such agreements with all our neighboring countries, including the United States."

Resillez explains that the program will now broadcast recorded excerpts of an interview he held with Maria Clemencia Lopez-Jimenez the Venezuelan ambassador to Cuba. She says that up to the 70's Venezuela did not combat drug trafficking and that the scourge did not affect Venezuela for many years. She states that as of 1988, bilateral agreements were signed with neighboring countries. She says that a bilateral agreement was signed with Cuba in 1990 during the visit that Cuban Foreign Minister Malmierca paid to Venezuela.

She says the two countries have shown what can be achieved through an institutionalized policy against drugs. "This shows that there is a political willingness to combat the problem." We know that because of its geographical location, Cuba has experienced problems in this area and that the Cuban Government has adopted a decisive stand in the struggle against drug trafficking.

After stating that this is a universal scourge, and reading Andean Pact figures on drug trafficking, Resillez introduces recorded excerpts of an interview with Dr. Perez Cristiani, chief of the national commission on toxicology of the Cuban Health Ministry. Perez Cristiani gives a definition of drugs and comments on the effects of drugs on the body.

Immediately after this, the program shows a clip of an interview with Alberto Perez, a sentenced drug trafficker, who discusses the effects of drugs on drug addicts he saw in Key West. Perez continues to discuss effects of drugs, and of drug withdrawal on the central nervous system and its psychological and physical effects.

Another clip is shown with sentenced drug trafficker Francisco Mirabal Carbajal who comments on effects of drugs and on drug addicts he has seen in Miami and Key West.

Perez comments on increase of mortality and sickness in the drug addict community and discusses other risks brought on by drug addiction. (passage indistinct)

Guntin answers Resillez about current Cuban legal mechanisms against drug trafficking. He explains that the current penal code enforces severe punishments for drug traffickers. He adds that amendments are under study to make these punishments even more severe. He says that such measures would not lure drug traffickers to Cuba.

At this time, Resillez announces another clip of interviews with sentenced drug traffickers arrested by Cuban officials. A Colombian drug trafficker says he was treated well and that he has been in a Cuban prison for

three years. (passage indistinct) He explains how he was captured while transporting 224 kg of cocaine. He adds that he was paid $400 and that although money can be obtained with drug trafficking, it destroys human beings.

The clip also shows an interview with Colombian Francisco Mirabal Espinosa who explains he was arrested for transporting 6,912 kg of marijuana. He explains he was contracted to transport drugs in Key West, Florida. Eloy Monduy Espionsa, a former Cuban political prisoner residing in the United States, says he was arrested in Cuba on 6 March 1990 on drug trafficking charges.

Resillez quotes measures passed by Fidel Castro on 7 October 1958 eliminating drug use in Cuba. Resillez says that after 32 years, on the occasion of the Eight World Symposium on Crime, he interviewed (Francisco Ramos Galindo), chief of the UN Narcotics Department.

The program closes with a clip carrying an interview with (Ramos Galindo), who praises the Cuban Government's actions to prevent the drug scourge. He expresses satisfaction that when drug trafficking was detected in Cuba, it was erdicated through the implementation of effective measures.

Castro Opens Computer Club Center in Havana

FL0803021591 Havana Radio Reloj Network in Spanish 0202 GMT 8 Mar 91

[Text] Commander in Chief Fidel Castro, first secretary of the Central Committee of the Communist Party of Cuba and president of the Councils of State and Ministers, has opened the Youth Club Computer and Electronics Center located in Centro Habana Municipality in the capital. The opening is an extension of more than three years of experience in operating these facilities. It represents a higher stage and shows the need to promote a recreational and scientific climate. The Youth Club Computer and Electronics Center will promote reflection, interaction, teaching, and reading along with healthy recreation for hundreds of children and young people in this specialty field. The facility is made up of four basic areas and has a capacity for 600 people. It will be open Tuesdays through Sundays from 1000 to 2200 and will serve young people.

DPRK's Choe Kwang Visits Military Brigade

FL0703175091 Havana Tele Rebelde Network in Spanish 1200 GMT 7 Mar 91

[Text] General Choe Kwang, chief of the DPRK Army General Staff, and his delegation have toured the Playa Giron Guard Air Force brigade, where he was welcomed by Brigadier General Ruben Martinez Puentes, commander in chief of the Antiaircraft Defense and Revolutionary Air Force [DAAFAR].

The Korean military delegation visited the history hall where its members viewed an exposition depicting the brigade's combat activities. Later, they observed a MiG-29 demonstration flight. Gen. Choe Kwang congratulated the MiG-29 pilot, Lieutenant Colonel Jorge Guevara.

Central Bank Governors Meeting Opens 7 Mar

FL0703213091 Havana Radio Reloj Network in Spanish 2045 GMT 7 Mar 91

[Text] The 52d meeting of central bank governors from Latin America and Spain began at the Convention Center this morning. This meeting is being held in Cuba for the first time. Carlos Rafael Rodriguez, vice president of the Councils of State and Ministers, gave the opening speech after the delegates appointed Hector Rodriguez Llompart, the minister president of the National Bank of Cuba, to chair the meeting.

Jesus Silva Herzog, the director of the Center for Latin American Monetary Studies, reported that more than 24 countries are participating in this meeting in Havana, as are 15 central bank governors, eight organizations, and banks invited from Portugal and Canada. Cuba is one of the founding countries of the Center for Latin American Monetary Studies in 1952, and after a brief absence from the organization, it rejoined in 1980.

In opening the meeting of central bank governors from Latin America and Spain, Dr. Carlos Rafael Rodriguez stated that solutions to the foreign debt will come only when the debtor countries work out a common policy, as the South-South Commission has recommended. The Cuban leader also stressed that this event is taking place at a time when Latin America is showing a brutal contrast between the almost insolent wealth of a few and the poverty of the vast majorities who are unemployed.

He noted that the meeting is taking place at a time of a unipolar world, in which the United States has gone from being the main creditor to being the major debtor. Carlos Rafael Rodriguez thanked the participants for their presence at this time and invited them to find out about Cuban reality, which is distorted by the international press.

Costa Rica

* 1990 Inflation Rate Amounts to 27.25 Percent

91CA0074B San Jose LA NACION in Spanish
8 Jan 91 p 4

[Article by Jose Luis Mora]

[Text] As of December 1990 the cumulative inflation rate for the year amounted to 27.25 percent, according to the index of prices for medium and low income consumers in the metropolitan area of San Jose. The index was prepared by the Directorate General of Statistics and the Census.

This rate is higher than the rate for 1989, which reached 9.95 percent. The percent of increase in December 1989 was 0.68.

The percent of increase in December 1990 was 2.73 percent, a change explained by "a very strong rise in prices in the food group," the study states.

About 50 percent of the overall increase in food prices in December 1990 involved vegetables, including green, leafy vegetables, and fruits.

According to the study, increases in the cost of the following goods and services account for 70 percent of the cumulative inflation in 1990, in the following order: bus prices, medical fees, electricity, potatoes, pasteurized milk, cigarettes, rents, rice, bread rolls, taxi fares, black beans, bread in loaves, dental care, gasoline, fresh milk, secondary school fees, water, care of animals, newspapers, and sugar.

On several occasions government officials predicted that inflation in 1990 would not be greater than 24 percent, due to the economic stabilization program which the present administration is carrying out.

In 1991 a cumulative inflation rate of 12 percent is predicted, in accordance with negotiations through the International Monetary Fund.

* Diverse Economic Initiatives Needed in 1991

91CA0074D San Jose LA NACION in Spanish
1 Jan 91 p 14

[Text] A new year is beginning in the midst of restrictive economic measures. The country is involved in a process of adjustment, whose principal characteristics include an effort to reduce the budgetary deficit by an increase in the income of the central government and a reduction in personnel in the public sector. Also involved is a restrictive monetary policy whose principal effect has been a substantial rise in rates of interest, an acceleration in the process of small devaluations of the currency, and moderation in salary increases.

These actions will be reflected in a contraction in the rate of growth of economic activity and an acceleration in the inflation rate during the first few months of 1991. The increase in import surcharges and in the deposits which must be made prior to importing goods will cause an increase in the prices of imported goods and of those products which use raw materials from foreign sources. The approval by the Legislative Assembly of a sales tax increase will also contribute to a greater increase in prices during the first half of 1991.

These additional pressures on the level of prices occur at a time when the purchasing power of the lowest salaries has deteriorated and a relatively restrictive income policy has been outlined for the public sector, as the increase of 4.5 percent proposed by the administration suggests. Trade union organizations will make use of the first few months of the year to protest against the economic package and the strategy announced by the government. For his part President Rafael Angel Calderon has indicated that he will resist such pressures because these corrective actions are necessary to avoid greater problems. We trust that the government will have enough strength to maintain its position, which is what the country needs.

Despite the measures which have been approved, economic problems are far from being resolved. The situation could be complicated even further by the course of political developments in the Persian Gulf, which are coming closer to a military solution. This situation could cause substantial increases in the petroleum price, which would have a negative impact on the balance of payments position. However, even without a complicated situation in the Near East it will be necessary to strengthen and change some aspects of economic policy in 1991.

In the field of tax policy it will be necessary to avoid falling into the temptation of believing that the problem has been solved with the increases in surcharges and the sales tax. This is only the beginning. Over the next 12 months the government must make substantial efforts to reduce public expenditures. To do this, it must show a firm hand and define its priorities clearly, since the budget approved for 1991 is seriously in deficit. Limiting expenditures will not be easy. It will be necessary to work on the structural aspects of this problem. A beginning has been made in this direction with the approval of Tax Payment Certificates (CAT). However, changes in the system of privileged pensions and in legislation on salary awards are urgently needed.

Part of the problem in the public financial sector is the marked increase in the service of the national debt, caused not only by the increase in the size of the debt but also by large increase in interest rates. Here we are in a kind of vicious circle. It will be difficult to expect reductions in these rates of interest while the budgetary deficit and the pace of small devaluations continue. The circle must be broken by dealing with the deficit. Therefore, it has become necessary to redouble our efforts to limit spending. Something could also be done with the privatization of companies like FERTICA [Central

American Fertilizer Company] and Cementos del Pacifico [Pacific Cement], using the income from the sale of these companies to cancel the debt of CODESA [Development Corporation] to the Central Bank.

In the course of 1991 credit policy must also be modified. It is not appropriate to continue restricting credit to the private sector in order to facilitate financing for the public sector. The private sector requires credit resources to support its process of industrial reconversion, especially when it is moving in the direction of greater participation in the world economy. It is an illusion to undertake a process of reconversion of production with real rates of interest as high as they are. It is not acceptable for us to succeed in maintaining a precarious level of stability at the cost of continued stagnation.

The present period of economic opportunity must be consolidated. We were pleased to see the policy adopted by the government of continuing to move even further toward the reduction of external tariffs, expressed implicitly in the "Declaration of Puntarenas." We were also pleased to learn that the government will pursue negotiations to reach a free trade treaty with the United States, within the framework of the Bush initiative and that it has decided to negotiate a third Structural Adjustment Program (PAE III) with the World Bank.

Foreign exchange policy should be evaluated. The pace of the small devaluations which have taken place over the past few weeks has been very rapid. This action has the consequence of placing a floor under the structure of interest rates on loans in local currency, since it provides a very high return for deposits in foreign currency. It also tends to stimulate inflationary expectations, which, in turn, foster the process of small devaluations. Here is another vicious circle which could be appropriately eliminated.

Finally, incomes policy should fit in with the need to finance the process of stabilization. It should contribute to maintaining the country's competitiveness in external markets. It is not on the basis of nominal salary increases but through increases in productivity that we will succeed in improving the situation of the workers.

The next 12 months will require clarity and firmness on the part of the government in defining and implementing economic policy. The immediate future will be difficult. We will be passing through turbulent waters. Whether we have a more promising future will depend on the way in which the ship of state is steered during this period of time.

* CINDE To Create 11,000 Jobs in 1991

91CA0074C San Jose LA NACION in Spanish
7 Feb 91 p 8

[Article by Jose Luis Mora]

[Text] The Costa Rican Coalition for Development Initiatives (CINDE) estimates that foreign investment will amount to $110 million (12.1 billion colons, at the present rate of exchange) in 1991, which will generate 11,000 jobs.

In announcing these results of the CINDE program Dr. Gerardo Cruz, director of the Marketing Division, stated that in 1990 investments valued at $82.6 million were promoted, creating 10,177 jobs, basically in connection with nontraditional business activities.

The principal forms of activity involved are in the clothing, electronics, metal and mechanical, plastics, agroindustrial, and tourism industries, Doctor Cruz stated.

Dr. Carlos Eduardo Robert, director of CINDE, stated that the goal is to encourage investments which involve trained labor. He added that the CINDE is not only dedicated to attracting markets but also has two divisions for supporting local businessmen in the agricultural and industrial sectors.

With that purpose in mind the two divisions are carrying on a variety of activities concerned with the training of workers and information, aimed at facilitating optimum processes for exporters.

Dr. Roberto Rojas, minister of foreign commerce, praised the work done by the CINDE in the last few years in its effort to promote investments in the country, "which, in turn, are those which create growth in our exports."

Regarding the activities of the CINDE, its representatives mentioned that in 1986 the foreign investment generated amounted to $19.6 million, while in 1991 it will be more than $110 million. Therefore, it is estimated that 11,000 new jobs will be directly created in 1991, compared to 3,609 jobs generated in 1986.

* National Campaign Against Poverty Initiated

* Campaign Announced, Explained

91CA0075A San Jose LA NACION in Spanish
2 Feb 91 p 4

[Article by Dixie Mendoza]

[Text] President Rafael Angel Calderon Fournier yesterday announced a national plan to combat poverty and unemployment and to defend workers' rights. This program is part of what he called the fulfillment of his promise to the people of Costa Rica, and honors the memory of his father, Dr. Rafael Angel Calderon Guardia.

As a key part of this plan, the president emphasized his determination to create 200,000 jobs, of which 130,000 would be generated by private industry and the remainder by the micro-businesses and small business programs that are being planned for development. All of this is viewed as a positive effect of the latest economic measures.

In addition, he mentioned projects to restructure the Labor Ministry, revise the Family Allotment Program,

and amend several labor laws, including legislation governing the year-end bonus and the Labor Code (full text in Documents section).

During a press conference, attended by Labor Minister Carlos Monge and Information Minister Guillermo Fernandez, the president indicated that he intends to fulfill his campaign promise "to raise the banner of economic democracy and social justice."

The chief executive took the opportunity to sign an executive decree with Minister Monge, providing regulations for the Year-end Bonus Law of 23 October 1959. This decree requires all employers to pay a full month's salary as a 13th month.

The executive branch has thus eliminated the transitory provision of the aforementioned law, which allowed some companies to pay less than a full month's salary as the year-end bonus, depending on the profits they distributed.

This transitory clause has been applied in the farm sector, in particular, and the president felt it was unfair.

The decree expressly states that companies must pay their workers, without exception, an annual economic benefit (year-end bonus) equivalent to a full month's salary for each year of employment. This means that even if companies suffer losses, they will not be exempt from this requirement. The decree will take effect when it is published in the Official Gazette.

The president emphasized that these provisions, along with others that will be introduced in the Legislative Assembly next Monday, seek to continue the social policy pursued by his father during the 1940s. All together, they make up the initiative known as "Modernization of Social Reform."

Some Indices

President Calderon explained that his proposal is in response to the need to deal with the high degree of poverty that prevails in the country, where unemployment was 4.6 percent as of last July (without taking into account the labor mobility plan).

For example, he mentioned that approximately three in ten Costa Rican families live in conditions of poverty, without being able to meet their minimum needs. Of those, 72 percent are concentrated in rural areas.

He also noted that 36 percent of poor households are headed by women, and that the majority of them earn less than the minimum wage. He added that 10 percent of young people between the ages of 12 and 24 are completely unemployed, which exposes them to greater risk of drug use and other vices.

* 1991-1994 Employment Plan

91CA0075B San Jose LA NACION in Spanish 2 Feb 91 p 16

[Text of speech by President Rafael Angel Calderon F. at a press conference on 1 Feb 91; time and place not given]

[Text] When I took office as president of the republic, I announced my pledge, on behalf of the people of Costa Rica and in honor of my father's memory, to raise the banner of economic democracy and social justice. On that occasion I also clearly stated that we had returned to office because we were able to preserve the legacy of that struggle, and because we are sensitive to the needs of the dispossessed.

Today I announce to the country an effort to unite the nation behind a plan to combat poverty.

Since I knew that we would inherit a country with a huge social debt, from the beginning of our administration I ordered a precise diagnosis of the poverty and the real plight of the majority of Costa Rican workers.

The situation, my fellow countrymen, is deplorable!

As of July of last year, the unemployment rate was 4.6 percent.

But that proportion tells us very little about the tragedy of thousands and thousands of men and women who, out of work or underemployed, do not have the wherewithal to lead a decent life. Approximately 50,000 Costa Ricans have no jobs, and nearly 200,000 earn a meager income from part-time work or by taking the first job that comes along.

This situation of poverty and indigence in the great national family is very painful. Approximately three in ten Costa Rican families live below the poverty line.

The majority of them, approximately 72 percent, are concentrated in rural areas.

But let us take a more detailed look at this gloomy diagnosis of our social debt: 36 percent of poor households are headed by a woman. On the other hand, 64 percent of the women who work outside the home earn less than the minimum wage.

Another vulnerable group is young people between the ages of 12 and 24. Among them, the overt unemployment rate is 10 percent, but it is as high as 15 percent in the Central Pacific region. One of the consequences of this is that many of our youths are dangerously exposed to drug use and other vices.

In view of this depressing social situation, which reveals that the Costa Rican family has severely deteriorated, I requested a redefinition of the employment and social development policies by the Ministry of Labor and Social Security.

Thanks to the effort and dedication of Labor Minister Carlos Monge, today I present to the country the decisions that we have adopted so that this administration is

able to launch a war on poverty and unemployment and defend the rights of Costa Rican workers.

- We will carry out a National Employment Plan, which will enable us to create 200,000 new jobs.
- We will restructure the Labor Ministry to allow it to carry out the effective defense of workers' rights.
- We will revise and redistribute Family Allotment funds so that the programs and objectives of this program truly resolve the serious problems plaguing the neediest segments of our population.
- We will issue the necessary decrees and introduce in the Legislative Assembly legal reforms that will enable us to wage this war on poverty and effect the modernization of Social Reform in keeping with the demands of the 21st century.

National Employment Plan

The National Employment Plan has set a national goal of creating 200,000 new jobs during the period from 1991 to 1994 (48 months). Because this is a national goal, both private industry and the public sector should commit themselves fully to it.

This national commitment, which all Costa Ricans should take on, springs from two main sources, which should flow together into one great channel leading to economic development and social justice:

a) One source is private initiative. My government has the utmost confidence in all private initiative, which throughout our history has proven to be a wellspring of liberty and wealth, and therefore a generator of employment.

b) As the other source, we intend to channel in a productive manner the widespread and diverse agents and organizations that make up what I would call the popular sector of the Costa Rican economy, into the current of economic and social development.

We want to encourage, promote, and develop the private initiative of all those who work for themselves: small landowners, small-scale fishermen, those who with difficulty produce clothing, shoes, food, and craft items in their homes, street vendors, those who run small soda fountains or barbershops—in short, all Costa Ricans who work at whatever they can, however they can, to make ends meet.

This popular sector of the economy, which has been practically excluded from credit aid, training, technical assistance, and marketing, incidentally includes many of the cooperatives, peasant organizations, the solidarity sector, trade unions, community development organizations, the peasant settlements of the Agrarian Development Institute (IDA), and landless peasants.

Of the projected 200,000 new jobs, the modern sector of private industry would create 130,000 in four years. This means an annual average of 32,500 new jobs.

During the 1987-1990 period, private industry generated an annual average of 31,280 new jobs. It should be noted that we are requesting an additional effort to open up just 1,220 new jobs a year. If we take into account that there are approximately 40,000 employers contributing to the Costa Rican Social Security Fund, the additional effort required of each production unit is minimal.

The corrective measures we are promoting in the economic sphere are aimed at strengthening the private sector and expanding its activities.

We are reducing public spending with a view to freeing up resources for the private sector, and we intend to reduce interest rates in the medium term. This, along with the establishment of a large number of companies under the Free Trade Zone program, will make it possible for us to achieve the goals we have set for ourselves.

To attain the goal of 200,000 new jobs, 70,000 additional new positions would have to be covered. The administration therefore pledges to achieve this goal by channeling financial resources and technical assistance to the population located in the popular sector of the economy in order to democratize the economy with the emergence of small private entrepreneurs. This plan will be implemented through two mechanisms, which will be coordinated by the Ministry of Labor and Social Security.

a) Job Creation Workshops: In an initial phase, these will be concentrated in the 20 districts with the lowest level of social development, covering 30 percent of the neediest population.

These workshops will last an average of three months, during which the participants, people with employment problems, will receive a monthly stipend of 15,000 colones.

At the end of the workshops, the beneficiaries will have organized their companies and carried out the corresponding technical studies. Later, they will automatically receive development and working capital loans at an annual interest rate of 22 percent.

b) National Micro-business and Small Business Program: We will give this program, which is already in operation, massive support. Its beneficiaries will also receive working capital and development loans at a rate of 22 percent per year.

This program will be promoted through non-government organizations in order to avoid bureaucratization.

- With the Job Creation Workshops, we will create 40,000 new jobs in the country's poorest districts. With the National Micro-business Program, we will create 30,000 new job opportunities at a low cost, given the technical and financial nature of the sector.

Restructuring of Labor Ministry

I was saying before that the unemployment rate of 4.6 percent tells us little about the real social situation in our country. It can only be explained by the fact that these statistics conceal a high rate of underemployment and deplorable working conditions.

Our country has legislation which in general terms guarantees decent working conditions for workers. Unfortunately, these sacred rights are not always respected in practice; at many workplaces the minimum wage is not observed, workday restrictions are violated, and occupational safety and social security measures are not provided, just to mention some of the abuses that many of our poor countrymen must endure.

This situation points to the urgent need to restructure the Labor Ministry so that it can become an effective tool in the defense of workers' rights.

We are going to reform the structures of the Ministry, primarily to regionalize its activities and achieve an efficient coordination with all the institutions that make up the labor and social security sector. In this way, we will be able to disseminate workers' rights more widely and enforce them more effectively.

Revision of Family Allotment Programs

We all know that the resources of the Social Development and Family Allotment Fund have not been channeled appropriately.

From the beginning, ineffective institutions and programs have been funded. Not only are these institutions and programs burdensome, but they also fail to solve problems and they cause the beneficiaries to believe they are less capable than the rest of the Costa Rican population.

Moreover, some institutions carry out programs that do not meet the law's objectives. Duplication of effort has been discovered in several programs, and ample benefits are provided to some individuals and families while other Costa Ricans in similar socioeconomic circumstances receive no attention at all.

As we are aware that the Social Development and Family Allotment Fund is one of the most important mechanisms we have for contributing to the country's economic development with social justice, we propose to undertake a thorough revision of the family allotment program so that it can become an effective instrument in serving the needs of the most underprivileged, the poorest, the elderly, and children.

We have already determined which programs will be financed under the Family Allotment Fund, with priority given to those involving health, food, education, and production.

For example, food stamps will be distributed primarily in areas of extreme poverty, and will not cover production regions.

True to the principle of offering the most to those who have the least, we will give priority to the programs that favor the most backward geographic regions, with a view to achieving a regional balance.

In keeping with the idea of achieving participative democracy, we will involve organized community groups such as municipalities, cooperatives, development associations, trade unions, solidarity associations, and other special community committees, in the development of these programs. They will be given joint responsibility in the supervision and execution of the programs.

It is also necessary to finance programs aimed at strengthening the family as the essential nucleus of our society.

Along with these programs, efforts will be made to reinforce those that involve education as a means of developing responsible and free individuals who are capable of overcoming the causes of poverty.

One of the programs that needs to be changed is that of pensions under the non-contributing system. This system is designed to protect elderly or disabled persons with dependents, single parents with dependents, and elderly or disabled persons living alone.

A study of the way in which these resources are being distributed shows us that in many cases benefits are granted to people who do not need them, while others who really do need them are ignored. We have also discovered that the geographic distribution of these pensions is not always in accordance with the needs of each region. The percentage assigned to some districts is very high, while in poor districts it is very low.

To cite one example of this, the district of Asseri has a population of 1,057 people aged 65 or older, but only six people receive pensions under the non-contributing system. This yields a rate of 0.57 percent. Orotina, on the other hand, which has 643 persons 65 and older, has 711 people receiving pensions under this system, for a rate of 110.58 percent.

Modernization of Social Reform

The social reform of the 1940s has been the fundamental pillar of the social peace that our country enjoys.

But the Costa Rica of those years was very different from the Costa Rica we live in today. At that time we were a highly agricultural country, with a scarcely-organized working class and a mere 600,000 inhabitants. Today there are nearly 3 million of us, we have a large, rather well-developed and intensive industrial sector, and we have achieved significant urban change.

In addition, scientific and technological advances point to the emergence of a new world for which we must be adequately prepared.

All of these changes have had an impact on our social and economic life, rendering obsolete some provisions of our labor legislation. This presents us with the beautiful challenge of reforming it and adapting it to the needs and demands of our time.

For this reason, we propose to modernize the social reform, maintaining the democratic spirit that inspired it.

The officials primarily responsible for social matters in my cabinet will disseminate specific information and explanations regarding the modifications we propose. In any event, I would like to take this opportunity to briefly go over their basic features.

a) Amendment of the Year-end Bonus Law: This is designed to guarantee that workers receive the equivalent of a full month's salary as a year-end bonus.

The Year-end Bonus Law provided some transitory provisions that enabled some private firms to pay percentages of the monthly salary rather than the full amount as the year-end bonus. The Government of the Republic will, by decree, provide regulations for this law so that all employers are required to pay their workers, without exception, a bonus equal to a full month's salary for every year of employment.

b) Partial reform of Labor Code: This is aimed at making significant changes in the measures taken to repair the damages caused by the failure to meet the objectives set forth in the Labor Code. The promulgation of the current Labor Code represented an important step in the country's social development. Nevertheless, the Costa Rica of the 1940s was very different in terms of the development of productive activities. These changes have become evident in our social and economic life, and consequently some provisions of the Labor Code are now obsolete.

The legal measures used to preserve order include sanctions. In the case of the Labor Code, these sanctions consist mostly of fines. The amounts of such fines are ridiculously low, however, and fall far short of promoting the restoration and enforcement of the right that has been violated. In fact, they promote just the opposite, since it is just another business expense to pay the fines and continue violating certain labor standards.

In view of the urgent need to prevent this from happening, we intend to introduce in the Legislative Assembly a Bill for the Partial Reform of the Labor Code.

That bill is designed to establish a standardized system of fines that is always up to date and is consistent with the economic situation. For this purpose, all standards in the Labor Code having to do with the imposition of sanctions will have to be repealed.

c) Modification of standards governing extrajudicial arbitration of labor disputes: For this purpose we will send to the Legislative Assembly a bill to amend Articles 43, 44, and 45 of the Labor Code, making it mandatory for the parties to appear at arbitration. This will allow the Labor Ministry to carry out its functions more effectively in this regard and to arrive at a positive resolution of the conflicts involved.

d) Expansion of limits on severance pay from eight to 15 years: The standards governing pensions have gone virtually unchanged, despite advances in the labor sphere and the new social currents of this century. The legal provisions that govern us in this regard are obsolete.

Today, 47 years later, we believe it is necessary to extend the severance pay limit from eight to 15 years. Although this is not quite twice as much as the current period, it is at least half of the average maximum length of a continuous employment relationship.

This change will be made by amending Article 29 of the Labor Code.

e) Elimination of existing inequalities between the rights of farm workers and those in other labor sectors: The current Labor Code contains different provisions for farm workers than for workers in other labor sectors. These differences are detrimental to the former and thus represent an odious inequality that is alien to our way of life and violates the principle of equality before the law.

We must not forget that 25.9 percent of the work force is employed in agriculture, and that 70 percent of poverty is found in rural areas. For this reason, we will send to the Legislative Assembly a bill to repeal these provisions. Consequently, we will be able to standardize the rights of workers with respect to breaks, vacations, and other equally important aspects.

f) Repeal of Articles 333 and 334 of the Penal Code: This measure is intended to restore the spirit and essence of the right to strike as a mechanism for workers to assert or protect their economic and social interests.

g) Profit-sharing with company employees: The payment of the social debt by the Costa Rican people also leads us to propose an initiative that will allow us to come closer to the full reign of economic democracy. For this purpose, we are proposing general guidelines for a bill on employee profit-sharing.

* 1990 Growth of Tourist Industry Described

91CA0074E San Jose LA NACION in Spanish
1 Jan 91 p 5

[Article by Jorge Solorzano]

[Text] The country experienced growth in the tourist industry reflected in hotel expansion, more investment, support for municipal projects in nine communities, and the arrival of a large number of cruise ships. This was stated by Dr. Luis Manuel Chacon, minister of tourism.

He pointed out that almost 50,000 of the 300,000 foreigners who visited the country in 1990 came on cruise ships.

As activity at the Ministry of Tourism closed down for 1990, Doctor Chacon emphasized the achievements recorded during the eight months of his term of office, including the opening of 11 hotels, which expanded the country's capacity.

He announced that in 1991 a study will be completed on improving installations and exploiting the tourist potential of the Ojo de Agua beach resort area, under an agreement with the Costa Rican Institute of Pacific Ports (INCOPP).

Doctor Chacon stated that the achievements in 1990 of the Costa Rican Institute of Tourism [ICT] were very great. In that year 45 hotel contracts were signed in an effort to satisfy growing tourist demand.

The 11 new hotels now functioning have made 699 additional hotel rooms available to the public out of a total of 1,336 rooms whose construction was agreed upon in 1990. The other 637 rooms remain to be opened.

Three of the hotels which were opened are located in San Jose. One is in Heredia, another in Limon, and two each in the provinces of Puntarenas, Alajuela, and Guanacaste.

The hotel with the greatest capacity is the Hotel San Jose Palacio, with 258 rooms. Next largest are the Hotel Fiesta (170 rooms) in Puntarenas and the Hotel Jaco Fiesta (90 rooms).

Other new hotels include the Tara Resort (five rooms) and Santo Tomas (11 rooms) in San Jose; the Rara Avis (15 rooms) in Heredia; the Tabacon (37 rooms) and Tilajari (24 rooms) in Alajuela; the Ilan Ilan (20 rooms) in Limon; and the Pueblo Dorado (21 rooms) and Club Paraiso (48 rooms) in Guanacaste.

The ICT issued licenses for the operation of 11 water transportation companies and 12 travel agencies, the majority of which specialize in tourism with a focus on conservation.

Minister of Tourism Chacon announced that plans for the tourist industry emphasize the development of the potential of the provinces of Guanacaste, Limon, and Puntarenas, in which the construction of 218, 233, and 528 hotel rooms, respectively, was approved.

According to the travel programs sent out by the agencies which handle cruise passengers, more than 53,000 tourists are expected to come to Costa Rica via this mode of transportation in 1991.

Furthermore, the ICT has signed cooperation agreements for the development of tourist projects with various municipalities, valued at 17.5 million colons.

These projects will exploit the attractions of the cantons of Puntarenas, Valverde Vega, Grecia, Alfaro Ruiz, Liberia, San Carlos, Garabito, and Aguirre.

Furthermore, an agreement was signed with the Costa Rican Coalition for Development Initiatives (CINDE) to encourage a plan for the promotion of foreign investment in the country in priority areas for tourism which would generate jobs for Costa Ricans.

According to the minister of tourism, through these programs it is hoped that an improved infrastructure will be developed to meet tourist demand, which has been increasing over the past three years, based on improvements in the political situation in the Central American region.

Hotel Rooms Approved

Province	Number of Rooms
San Jose	250
Alajuela	88
Heredia	
Cartago	29
Puntarenas	528
Limon	223
Guanacaste	218
Total	1,336

El Salvador

Arena, PDC, CD Leaders on Outcome of Elections

PA0703130891 San Salvador LA PRENSA GRAFICA in Spanish 6 Mar 91 p 83

[Excerpts] At a roundtable sponsored by UCA [Central American University], Arena [Nationalist Republican Alliance] President Armando Calderon Sol appealed for support for the efforts being carried out by President Alfredo Cristiani in the search for a peace consensus.

Calderon Sol said that President Cristiani's efforts to seek consensus by virtue of the people's power must be carried out while adhering closely to the Constitution. He cautioned, however, that with political pluralism "it is inconceivable to have a party that opposes our rights and supports the annihilation of the legal system."

The Arena president spoke last night at UCA on the concept of democracy, along with Fidel Chavez Mena of the Christian Democratic Party [PDC], and Ruben Zamora of the Democratic Convergence [DC]. [passage omitted]

CD candidate for deputy Ruben Zamora noted that these elections are crucial because their outcome will determine what impetus the process of negotiations will receive. He felt that a reshuffling of the Legislative Assembly, where no one party has hegemony or control, will make it possible to draft laws that will curb the legislative branch's excessive subordination to the executive branch. PDC candidate for deputy Mena asked that the elections be honest with strong voter participation. He noted that the FMLN will not boycott these elections, and this positive element will allow having honest elections with heavy voter turnout. Chavez Mena concurred with Zamora that a reshuffling of forces within the Legislative Assembly will promote the process of negotiations.

Polling Stations in FMLN Areas Said Unlikely

PA0703140691 San Salvador Radio Cadena YSKL in Spanish 1200 GMT 7 Mar 91

[Text] The Army has deployed a strong force in areas where Farabundo Marti National Liberation Front [FMLN] rebels operate. The Army's action is to guarantee suitable conditions for the holding of Sunday's elections. It is believed, however, that in 19 municipalities voting will not be possible.

Defense Ministry sources have reported that at the beginning of this week, Army troops entered regions in the departments of Usulutan, Morazan, and San Vicente, which had been under FMLN control, but which now are under military control.

Christian Democratic Party Alderman Ricardo Perdomo has said, however, that there are 19 municipalities in the departments of Chalatenango, Morazan, and Usulutan where it is impossible to install polling stations. He explained that the people in those municipalities will have to travel and vote at nearby stations.

Inflexibility of Electoral Procedures Criticized

PA0703142191 San Salvador Canal Doce Television in Spanish 0330 GMT 7 Mar 91

[Text] Ricardo Perdomo, Christian Democratic Party [PDC] representative to the Central Electoral Council [CCE], said today that the decision of the Legislative Assembly to prevent Salvadorans who are registered to vote from doing so because they do not have voter identification cards was unfair. In deploring the refusal by the Nationalist Republican Alliance [Arena] to accept a PDC motion, Perdomo said that this is a matter of justice and not something motivated by a desire to make political gains. He said the decision by the Arena deputies is unfair because 390,000 registered citizens will not be able to vote because they lack the voter identification cards.

[Begin Perdomo recording] I think this is a matter of justice. Every citizen who is duly registered is entitled to vote. We must have a system that is expeditious and flexible so that citizens can vote without harming the integrity of the system. [end recording]

He noted that Arena's rejection of the PDC motion, which constitutes a [words indistinct] that hampers a process that is moving along with difficulties. The leaders from political parties and various groups, as well as OAS observers, have harshly criticized the slowness of the procedures. The CCE's slowness in handing out the voter identification cards was criticized today because many people see it as a form of electoral fraud. Perdomo justified the criticism and noted that Arena is to blame.

[Begin Perdomo recording] Some groups are talking about fraud because of the obstacles preventing people from receiving their identification cards. We could call this delay fraud before the fact. I believe that the demand for identification cards is justified. Because we concur with the sentiments of parties, various groups, and the people, we are asking for flexibility, so that citizens who for any reason did not get their voter identification cards can vote, as long as they are on the electoral lists. [end recording]

Opposition sectors point to irregularities in the CCE that could be part of a fraud, such as handing out voter identification cards to people less than 18 years old. However, Perdomo asked the political parties to submit proof to the CCE and to say where the alleged event occurred.

Despite a host of charges, accusations, and mistrust in the electoral process, the elections will be held in 243 of the 262 municipalities. Elections will not be possible in 19 municipalities because they are located in strife-torn areas. In some municipalities in Morazan, Chalatenango, and Usulutan Departments, the local residents will have to cast their votes in nearby towns.

FMLN Denies 'Alleged' Links to UDN

PA0703185591 (Clandestine) Radio Venceremos in Spanish to El Salvador 0000 GMT 7 Mar 91

[Text] The government has tried by every means to give the impression that the Farabundo Marti National Liberation Front [FMLN] is participating in the present elections through the National Democratic Union, the UDN. With this assertion, our adversaries want to attribute to the FMLN the electoral results obtained by that political institution. Undoubtedly, we have viewpoints in common with the opposition parties; however, they do not represent us. We respect their positions and we acknowledge that, amidst the difficulties, they are waging a tenacious struggle to bring about democracy. This acknowledgement is the main factor that led the FMLN to decide to adopt a unilateral cease-fire for the elections.

We are not going to respond to the government or to the Nationalist Republican Alliance. Their disinformation campaign has clear objectives. To clear up any doubts that might be felt by sectors of the population, we state the following regarding the alleged link between the FMLN and the UDN.

First of all, we have to say that the FMLN is a politcal-military organization. In other words, it is not an army, but rather a political organization that has an army. When the UDN participated in the 1962 and 1967 elections, the organizations that today make up the FMLN were determined precisely to create an alternative to the discredited electoral path. The UDN was, and is, an electoral party, while the FMLN, as we said before, is a political-military front. The difference is very clear.

It goes without saying that when there is a true democratic process in the country, the FMLN will participate in politics under its full name, and with its own banner.

Coprefa, FMLN Report Casualties in Fighting

PA0703233291 Panama City ACAN in Spanish 1812 GMT 7 Mar 91

[Text] San Salvador, 7 Mar (ACAN-EFE)—At least four persons were killed and 10 were wounded, including rebels and civilians, in fighting and other actions over the past few hours in El Salvador, the Armed Forces Press Committee (Coprefa) has reported.

The source reported that two rebels were killed and six rebels were wounded yesterday in San Francisco Javier, an eastern department of Usulutan. A similar number of rebels were killed in fierce fighting that took place in Morazan and Chalatenango. Coprefa did not report any army casualties in any of the actions.

The Farabundo Marti National Liberation Front [FMLN] stated today on its radio station "Farabundo Marti" that its units inflicted six casualties on the Army during fighting in Chalatenango yesterday. According to the FMLN, the rebels have inflicted 76 casualties on the Army in Chalatenango in the past six days.

Meanwhile, three peasants were injured when they stepped on a mine that had been abandoned by the guerrillas in the township of Guazapa, 24 km north of San Salvador, the Armed Forces reported.

The fighting resumed after a unilateral truce called by the guerrillas on 2 March as a tribute to the late leftist leader Guillermo Ungo. The truce ended yesterday, Wednesday.

Guatemala

Costa Rica Possible Site for Talks With Rebels

PA0603132691 Panama City ACAN in Spanish 2201 GMT 5 Mar 91

[Text] San Jose, 5 Mar, (ACAN-EFE)—Representatives from the Guatemalan Government and the guerrillas will most likely meet in San Jose, Costa Rica this month. This will be the newest attempt to end more than three decades of civil war.

The meeting was confirmed today by Hector Nuila, a representative of the Guatemalan National Revolutionary Unity (URNG), after he met with Foreign Minister Bernd Niehaus, who reaffirmed his offer that the negotiations be held in Costa Rica.

Nuila did not give the exact date for the meeting but did say that it will probably be held in March. He added that the initial proposal from the National Reconciliation Commission (CRN), presented last year, will be studied at this meeting.

The meeting in Costa Rica will be attended by representatives from the URNG, the CRN, the government of President Jorge Serrano, and UN observers.

Nuila said that the Serrano government has the same negative attitude as the previous government toward ending the hostilities. However, he added, the peace effort has to continue.

The rebel leader denied that the meeting will be held when Serrano visits Costa Rica between 18 and 20 March. He denied any connection beteen those two events.

Serrano has been invited by the UN's University for Peace, which has its main offices in Costa Rica, to attend a conference at the innagural ceremony of the Central American School for Peace.

According to official sources, he will also meet with Costa Rican President Rafael Calderon to discuss bilateral and regional matters.

Rebels Damage Helicopter; Inflict 7 Casualties

PA0503163991 Guatemala City EL GRAFICO in Spanish 1 Mar 91 p 4

[Text] Guatemala City, 28 Feb (ENFOPRENSA)—The National Guatemalan Revolutionary Unity [URNG] today reported that their members had damaged another military helicopter within the last week, inflicted at least seven military casualties, and carried out several propaganda activities.

On 24 February, in Ixcan, Quiche, in the country's northwest, rebel fire hit an Air Force helicopter flying between the Puente Xalbal and San Lucas garrisons. After making an emergency landing, the aircraft was unable to take off, the report said.

Nicaragua

Government Talks With Workers Front Suspended

Salary Demand Causes Rift

PA0803044691 Managua Sistema Nacional de Television Network in Spanish 0330 GMT 7 Mar 91

[Text] This is a last minute report: The negotiations between the government and the FNT [National Workers Front] have been suspended. Apparently, the salary readjustment demanded by the labor union leaders has angered Minister of the Presidency Antonio Lacayo.

[Begin recording] [Unidentified reporter] The FNT leaders have just left the presidential palace after meeting for over four hours with government officials. What are the results of the meeting?

[FNT leader Lucio Jimenez] We presented a constructive stand. Inasmuch as the government claims the problem stems from the price of fuel, we changed our proposal from a 600-percent salary increase so that

salaries will be adjusted according to the changes in the price of fuel. In other words, we proposed a 4.25-percent [as heard] rate of increase.

The government insists that this proposal is not feasible. Instead the government is asking for a truce, which we are in no position to grant. On the contrary, we are demanding a truce from the government.

Minister Lacayo became very violent. I hope he has not ruined the talks. We are supposed to continue with the negotiations. The health workers have not been given their AFA's [rice, beans, and sugar package] as a reprisal for the firm stand they are taking. We are insistent, and we tell the government officials that if they do not keep in mind the workers' interests, nothing can be guaranteed in this country.

[Reporter] Will this dialogue be resumed?

[Jimenez] We had to leave suddenly because the government officials became very violent. We are ready to resume talks at any moment. We want to clarify, however, that if the customs house workers are suppressed, we will consider that to be a negative signal from the government. Then we will see how we respond.

If brutal force is used against the customs workers, what other alternative will we have? We only have to act in solidarity and mobilize the workers because if our comrades are treated like that, then it is clear that other workers, such as the health workers, will also be treated poorly. As I said before, they have not been given their AFA's. We are convinced that if we do not act strongly, the government's economic policy will crush us. [end recording]

Police Evict Customs Workers

PA0703233091 Managua Radio Catolica in Spanish 2305 GMT 7 Mar 91

[Text] This is a report for Radio Catolica from the Sandino Customshouse, near the airport, where most of the customs workers have been evicted with extreme violence and with tear gas. The police have acted brutally and have evicted the workers. There has been a shootout.

People are running from one place to another as the tear gas affects them. There is so much tear gas in the area that you can hardly see where you are walking. Reporters have not been able to enter the area, as the policemen are not allowing anyone to enter.

There are about 400 policemen who have now occupied the offices of the Augusto Cesar Sandino Airport. The customs workers refused to leave the customs area, and this led to the shootout. The police have taken over the airport. From where we are, we see people running all over the place. The tear gas is affecting everyone, and the people are running, trying to protect themselves and trying to find water. The tear gas is very penetrating. The workers are running out to passing vehicles and throwing stones at them. That is all we can report right now because the police are heading in this direction.

This has been a report for Radio Catolica.

Protesters Occupy Bank Complex

PA0703142291 Managua BARRICADA in Spanish 6 Mar 91 p 12

[Text] Yesterday, over 300 workers from various branches of national industry peacefully took over the Central Bank of Nicaragua's international and commercial operations offices for eight hours. The offices are located in the Oscar Perez Cassar building. The takeover was meant to back the FNT [National Workers' Front] demands that the government lessen the impact of the "shock" plan.

The workers, who are from textile, metalworking, and construction firms, said that they feel virtually dismissed from their jobs because of the drastic recession following reduced demands.

The workers agreed to leave the Oscar Perez Cassar premises at 1700, however, after Corfin [Nicaraguan Financial Corporation] President Angel Navarro and Banic [Bank of Nicaragua] Executive Director Antonio Medrano promised that the occupants would not be punished. The bankers also promised to convey the workers' demands to the government.

While orderly leaving the banking complex, CST [Sandinist Workers Federation] leader Carlos Borge called on all the people's sectors to march on 7 March to the Presidential Palace to demand from the government an immediate reply to the nine-point list of demands presented on 3 March.

Among the nine points, the FNT is demanding a 600-percent wage readjustment, preserving 60,000 jobs of workers who are to be laid off, as well as the legalization of land and housing property deeds.

Godoy Reviews First Year, UNO Alliance

PA0703153991 Managua EL NICARAGUENSE in Spanish 26 Feb-4 Mar 91 pp 6, 21

[Interview with Vice President Virgilio Godoy Reyes by unidentified reporter in Managua; date not given]

[Excerpts] [Reporter] How would you evaluate the first year of the National Opposition Union [UNO] government?

[Godoy] First, we must establish one thing clearly: Whose government is this? Some high-ranking officials, specifically from the Presidency Ministry, have publicly and authoritatively said that this is not an UNO government, but simply Mrs. Violeta Barrios de Chamorro's government.

If high-ranking officials deny that the government belongs to the alliance that made it possible, then we must see things from another perspective.

Talking about the government's first 10 months, only a few things are worth mentioning—but some of the achievements are quite important.

Personally speaking, I have said before that the government is truly capable of leading the country toward peace. This was interpreted in many ways when we said it during the electoral campaign, but facts have proven that we were right: agreements on disarmament and demobilization were reached. This has probably been the government's most important achievement.

Second, we have the young people's most anguished appeal: the elimination of the patriotic military service and the military service itself. The first one was suspended and, after a proposal from UNO deputies, the program was abolished.

The other achievement is granting freedom of expression, which had been violated so much throughout the 10 years of the Ortega regime; the Sandinist National Liberation Front regime. We must remember that dozens of radio newscasts were cancelled and that the general media directorate operated like "Damocles' sword" because journalists were constantly threatened to keep them in line, and it also enforced a censure.

I think that these three issues are enormously positive and we must recognize that this was possible thanks to the efforts exerted by the government, and the will to attain peace of the people who achieved a political victory on 25 February 1990.

There is little to be found beyond that.

In the economic sector, the situation is almost as bad as it was one year ago, and there is nothing the government can feel truly satisfied about—not to mention proud of—having achieved. Furthermore, the situation is even more critical in some cases, for example the employment situation. There is more unemployment now than there was one year ago, because of the economic crisis which the country has suffered, and it cannot possibly be stopped or ebbed.

Moreover, in addition to the unemployment situation, the people have become even poorer as a result of the FSLN's historical legacy, and, on the other hand, the government has implemented a somewhat unclear economic program. This is compounded by the weekly devaluation program, which has remained constant. Thus, the high cost of living increases every day, and it has become the main complaint of the workers who are unable to do anything about their purchasing power, which shrinks weekly.

The only effort exerted in the economic sector was the national consultation sponsored for five weeks between October and September 1990. It was obviously a valid and necessary effort but it led nowhere, for a simple reason: None of the alleged participants came to the consultations with the intention of making any concessions. Everyone wanted his goals or demands fulfilled as much as possible. Consequently, the national consultation resulted in a document that achieved nothing; a document that reviewed in general terms the bad situation prevailing in the country, called for the problems to be solved, and noted how important it would be to do this together. That is all. Nothing else was reviewed and, quite the contrary, immediately after the alleged national concerted agreement was achieved, everyone began demanding even more than what he had demanded at the consultations. That is particularly true as far as the FSLN's labor branch is concerned, because it always sought to destabilize the government.

That is another phenomenon we have experienced throughout the 10 months which have passed since 25 April. Labor groups controlled, influenced, led, and paid by the FSLN have constantly created problems for Mrs. Chamorro's government despite the consideration with which they are treated by the government's high-ranking officials. [passage omitted]

[Reporter] I would like you to tell us a little about the responsibilities that you have taken on as vice president of the Republic.

[Godoy] There are two types of duties that have remained in the area of theory, and other duties that we have assumed in practice as a result of certain official agreements reached some time ago.

On the one hand, there are the obligations that stem from the constitution. It is understood that the Vice Presidency was instituted so that there would never be a power vacuum in the country and, if the president should be absent for any reason, the vice president would immediately and automatically assume the functions of the president.

This has led to widespread debate, and there is a marked interest in keeping the Vice Presidency nonfunctional. Opponents have even invented an unconstitutional law. A lie was fabricated to the effect that a president would be replaced only after 30 days of absence.

In addition to this, there are some duties that the Presidency of the Republic can entrust to the vice president, delegating activities to him that are constitutionally ascribed to the president. In this regard, there has been no delegation. This is the first time in Nicaragua's history that the vice president has not received specific functions from the president. Therefore, were it not for other factors, the functions of the Vice Presidency would be nonexistent at present.

As a result of the Esquipulas peace process, the idea of the Central American Parliament was born, and when the Treaty of the Parliament was drafted, the Vice Presidential Forum was created and charged with the responsibility of making the parliament a reality. I have already participated in five of its meetings, the purpose

of which is to guarantee that the parliament will become active on 1 November of this year.

The treaty went beyond strictly parliamentary matters to encompass everything related to the integration of the Central American countries, integration, that is, on new bases that will allow the benefits to be shared among the partners in the project, namely the five countries.

We have been working in this regard. Our work has consisted of matters related to the parliament and efforts to achieve economic integration, and we will continue in this way as long as no other faculties or attributes are delegated by the executive to give another profile to the Vice Presidency.

Recently, Mrs. Chamorro asked me to help her improve the system of justice in Nicaragua. I said that, in principle, I am entirely willing to help in these tasks, as long as I am told what they consist of, or precisely what she would like done in that direction.

To begin with, the problem of justice in Nicaragua is a budgetary problem. However, from the viewpoint of the executive, one can help to improve the prevalence of justice to an extent beyond the judicial system itself, by reviewing the conduct of the police force, and reviewing the cases of prisoners in the penitentiaries.

There is another area, a much more sophisticated one, which is that of the Office of the Attorney General, which not only reviews property claims but also has other powers. For example, it still has a monopoly on penal actions by the state. That must be changed.

Thus, there are various areas in which, from the administrative point of view, one can contribute to the prevalence of justice. However, this has been no more than a mere offer, and should be made more specific, because what is being requested is not clear.

If this request is ever made in more precise terms, we will be very happy to assume this other function.

[Reporter] As a member of the UNO Political Council, what could you say about the obvious division within the coalition?

[Godoy] Various comments could be made in this regard. One is that it is difficult to maintain a firm alliance among members that are so different in ideological viewpoints and political perception of phenomena at any given time, an alliance that is diverse in ethical composition and in the ethical qualities of the leaders. Thus, what has happened is that two currents have been formed—more or less along the lines of what is being discussed in the country now—of those who want to stick to a position of principle and honor commitments that have been made, as opposed to those who justify their fickleness by describing themselves as pragmatists; they reach an agreement today and break it tomorrow, or whenever it serves their interests to do so.

This makes activity or dynamics very difficult and complex, but apart from that, there is what is called an appetite for power, with power conceived as the conquest of public posts. There are those who say that a party is not a real party unless it can give posts. Therefore, they follow a policy that functions to the extent that one is given or can garner a portion of the spoils to seek public posts. However, there is another sector that says no, that the proper thing is to simply honor commitments made to the electorate.

It is not just a matter of us recriminating each other; in front of us is the silent spectator who, in the final analysis, also castigates us: the people.

The UNO is facing that dilemma. There are different tendencies within the parties themselves. There are three tendencies: the pure pragmatics, that is, those who seek posts by any means; the defenders of the UNO program; and the pendular ones, who are divided or who continuously swing from one position to the other.

FSLN Issues Communique on Congress Proceedings

PA0703224991 Managua BARRICADA in Spanish 26 Feb 91 p 8

[Communique issued by the Sandinist National Liberation Front Central Commission in Managua on 25 February]

[Text] The Central Commission preparing the Sandinist National Liberation Front [FSLN] Congress hereby informs all the Sandinist people of the following:

1. The congress is a democratic process through which all the Sandinists will discuss and approve important documents that will rule our party's life. During the congress, the Sandinists will elect their national leaders.

2. The agenda of this first FSLN Congress will deal with these fundamental documents: a) The FSLN statutes; b) Political Principles and Programs; c) The Political Report from the National Board of Directors.

3. The congress has been planned to include three phases that form part of a sole democratic process. These phases are:
a) Political debates by the rank and file;
b) Department congresses;
c) The National Congress.

The political debates by the rank and file will take place from 18 March to 31 May; the department congresses will take place from 9 to 23 June; and the national congress will be held from 19 to 21 July.

4. The following organizations are soley responsible for organizing the various phases leading to the national congress:
a) On the national level: the Central Preparatory Commission;
b) At the department level: department directorate committees;
c) At the municipal level: municipal committees

d) At the rank-and-file level: cadres from rank-and-file organizations.

5. Development of the rank-and-file debates phase:

All the FSLN militants and members will be issued a copy of work documents on each of the issues on the congress' agenda. These documents will be discussed during congress assemblies attended by FSLN militants.

The congress assemblies will be composed of one or more rank-and-file organizations, depending on what each region finds most suitable. These assemblies could comprise regional rank-and-file organizations, or work centers, or a combination of both, as the corresponding organizations find most suitable

The purpose of the discussions by the assemblies is to propose ammendments to the documents to be presented to the FSLN rank and file. Amendment proposals enjoying majority backing at the assemblies will be presented to department congresses who should study them and make decisions.

Rules have been drafted to insure that the discussions take place in an orderly fashion and to facilitate the presentation of motions. These rules will be made available to all the congress assemblies.

6. How the department congresses work:

Department congresses will be held throughout the month of June. These congresses will be composed of people directly elected by the rank and file. Their size will vary depending on each department's situation and possibilities. The variation margin will be established by rules to be announced in the near future.

FSLN candidates, as well as any FSLN militant, can be elected delegate to a department congress. All FSLN militants, candidates, and followers have the right to elect delegates to the department congresses. Once the discussion of the work documents has concluded, congressional delegates will be elected at the congress assemblies or by congress assembly units.

Department congresses will have two fundamental objectives. The first objective will be to analyze all the motions forwarded by the congress assemblies, to discuss them, and to decide, by majority, which motions will be presented to the National Congress as department proposals.

The second big objective will be to elect the delegates who will represent the department at the National Congress. Rules will be established to ensure that department delegates to the National Congress are representative of the regions and sectors where the FSLN has the most important membership. The rules will be made known in due time, prior to the department congresses.

7. How the National Congress will take place

The National Congress represents the last phase of the entire congressional process. It is the phase that will synthesize the will of the majority of the Sandinists who participate in the previous phases. The National Congress will be composed of 500 delegates elected by department congresses.

Each department's delegation percentage will be proportional to the number of militants and candidates and to the amount of votes secured in each region by the FSLN in the February 1990 elections. Both aspects will be given equal importance.

The National Congress will analyze the amendment proposals presented by the department congresses and will approve, on the basis of a majority vote, the final documents. It will also elect the national FSLN leadership with basis on the party statutes approved perviouslu by the congress.

Any militant or candidate is entitled to be elected delegate to the National Congress. No sector or group of militants will have special delegate quotas at the National Congress. The only way to be able to participate as a plenipotentiary delegate is to have been elected delegate through the steps already listed.

8. All the Central Preparatory Commission resolutions that will follow will be announced through these means.

9. The Central Preparatory Commission hereby urges all the Sandinist people to participate in all the processes of this Congress with responsibility and with a constructive spirit and to firmly and respectfully discuss it so that this grand democratic event may strengthen the unity and the capabilities of the FSLN as the firm defender of the nation's sovereignty and the people's interests.

Central Preparatory Commission
Managua, 25 February 1991.

Argentina

Menem on Postwar Issues, UN Vote on Cuba

PY0703230091 Buenos Aires Argentina Televisora Color Network in Spanish 0255 GMT 7 Mar 91

[Interview with President Carlos Menem by reporter C. Varela on a special program entitled "After the War" from the ATC studio in Buenos Aires—live; monitored in progress]

[Text] [Menem] ...president of Argentina and giving thanks for their gestures and attitudes regarding this conflict, which placed humanity at risk for nearly 50 days due to the actions of an isolated individual.

[Varela] We have just talked with Foreign Minister di Tella and other Argentine personalities about the possibility that this new postwar situation will bring us new opportunities. Naturally, friends do business with friends, and Argentina will have a lot of business with Kuwait and the Asiatic world.

[Menem] Yes, I think so. We discussed this subject with Kuwaiti, Saudi, and U.S. officials, with President Bush, the U.S. vice president, and U.S. government secretaries. I want to clarify an important point in all this: When I decided to send the ships to the Gulf, I never thought of also sending someone behind them with a bill to collect something for our participation.

This is what I told the ambassadors this afternoon when they asked me if I expected to participate in the reconstruction of the allied countries which were victims in this conflict, like Kuwait and Saudi Arabia, and the aggressor country Iraq, which has suffered the destructive effects of the war. I told them yes, but we will not beg for a possible role in the reconstruction of these countries. Argentina will simply wait to be called to participate in the reconstruction work, should the countries which suffered the effects of war find it necessary. Some of our people are in the region because they were invited to discuss these subjects. I reiterate that, as a matter of dignity and greatness, we never presented a bill for the position we adopted.

[Varela] Besides not presenting a bill, and within the ethical context of this war, Argentina never expected to obtain benefits from either Kuwait or Iraq?

[Menem] Argentina never did. You know that in all the wars in which Argentina has participated—most of which we won—we never benefited or tried to benefit. We have always respected our enemies and we have tried to temper their defeats by all means. This has been the case throughout Argentine history.

[Varela] I think we are beginning a new day now, if my watch is correct. I think it is 0001, is it not?

[Menem] Yes.

[Varela] It is good to have the president tell us the time. We want to thank you for your participation, but I have two more questions. The first question: If there had been Argentine casualties, given the closeness of the Argentine ships to the theater of operations, what would have happened to the president's image in the domestic political field?

[Menem] When I decided to send the ships to the Gulf, I also assumed all responsibility for what could have happened to our people. We must not forget that the decision was made honestly. We did not send soldiers; we sent war professionals, officers and NCO's [noncommissioned officers]. They were men prepared for this action, many of them Malvinas veterans. We did not risk the lives of soldiers, of 18- and 19-year-olds; we simply sent a group of Argentines prepared for any kind of conflict.

We were certainly willing to pay the costs of this decision. We were not sure what would happen. That is why I said—and I was harshly criticized by the usual doomsayers, but I was almost positive that the UN forces would win the war—when the United States and its allies—us—when we fell on Iraq to recover Kuwait, I said Argentina was entering a war. We were really entering a war, but the criticism was so harsh and terrible that I tried to reword my position to stop the exaggerated attacks from some Argentine sectors.

The fact is that we were actually entering a war; we were no longer neutral. We were complying with the UN resolutions, so we sent two Argentine Navy ships to participate in the conflict. Argentine Air Force planes also provided logistic support and evacuated people of various nationalities who were still in countries like Saudi Arabia, Kuwait, Iraq, Iran, Israel, and Syria. We evacuated people from all those countries. The Argentine Armed Forces actively participated.

[Varela] Were you able to evaluate the possibility of not allowing the ships to participate in the war but to merely observe it?

[Menem] Yes, but taking into consideration the UN petition—and I said this amid the political earthquake reaction that occurs in Argentina—I said that we would try to comply with the UN request with the approval of Congress. We asked for congressional approval at the very end, although it was not necessary for a logistic support operation, but we did so anyway to close the mouths of those congressmen who were annoyed because they had not been consulted. We sent them the appropriate draft bill requesting authorization to provide logistic support to troops in the conflict area.

[Varela] Mr. President, a national leftist party, two nonnational leftist parties [not further identified], and former President Raul Alfonsin harshly criticized your decision.

[Menem] Yes, very harshly, I would say. Some criticisms were accompanied by street demonstrations, including insults and aggravations. We are already used to that.

[Varela] Are you?

[Menem] Yes, I am used to it, especially to insults from some leftist or ultraleftist politicians, but I was surprised by the former president's attitude. It was a very harsh attitude, I would say, and he even made an sarcastic reference to the Armed Forces. I remember that when we sent the two ships, Alfonsin made one comment to the effect that, in an area so crowded with ships, our ships were in danger of crashing into each other. This was one of his comments. I think he was trying to make a sarcastic comment about the Armed Forces, as if to discredit the abilities of those who sailed the ships to the Persian Gulf.

[Varela] Mr. President, have you had a chance to read the latest statistics on the credibility of politicians in our country? According to a poll by a private institute, Alfonsin has less credibility than Aldo Rico.

[Menem] Yes, I read them. This is sort of a permanent attitude in terms of the public's approval of political leaders in the Argentine Republic. There is no doubt that their credibility has decreased.

Nothing else could be expected in a country in crisis, but not in a terminal crisis, as we said when I assumed power. We have adopted measures to benefit our country, including the resumption of relations with the UK, the sending of troops to the Gulf, and our change in position at the United Nations. A few hours ago Argentina switched positions and voted in favor of sending a human rights inspection committee to Cuba, thus joining the main countries' policy toward Cuba. This was a difficult decision. While the rest of the Group of Eight countries abstained, we voted in favor, along with the United States and other countries.

This will clearly cause problems, especially domestically, with the ultraleftist parties that continue to believe in Marx or Lenin when nobody else believes in them as modern alternatives because their ideologies are totally outdated. We can no longer continue to speak as we did five years ago about Marxism, Leninism, or Communism. There were political stages, but these ideologies have been totally defeated.

[Varela] Mr. President, it is 0010. About an hour ago, on this same program, the Israeli ambassador asked that you and the Foreign Ministry intervene for Israel so that it can be recognized by the Arabs and maintain good relations with the Arab world. This was stated by Ambassador Shefi.

[Menem] Yes, I have talked about this subject with the Israeli ambassador in the past, and President Bush told me yesterday that, given my Arab origin, he will consider the Argentine Republic for possible peace talks on the Middle East. This means that the United States, through its President, considers Argentina to be a very important factor in what may be done to establish a definitive peace in the Middle East. I would also add that this is a sign of recognition for our country which—after years of isolation, of thinking that the world does not need us—is currently coming to the conclusion that it needs the rest of the world. We have reached the point of reversing the policy that put us in a very bad position. There are now different considerations for the Argentine Republic.

[Varela] Mr. President, I know that you do not usually go to bed early, but I thank you very much for these minutes with us.

[Menem] On the contrary, I am very happy to have participated in this program and clearly explained some things. I want to announce a final piece of information. I am going to run my commercial here. The railway workers strike has been lifted on some railway lines; this is very important. They lifted the strike without any conditions.

[Varela] Without any conditions?

[Menem] Yes, without any conditions.

[Varela] That is good news.

[Menem] I think so, yes.

[Varela] Thank you very much, Mr. President.

Menem Meets With Coalition Nation Ambassadors

PY0803005091 Buenos Aires TELAM in Spanish 1240 GMT 7 Mar 91

[Text] Buenos Aires, 7 Mar (TELAM)—President Carlos Menem reviewed the development of the Persian Gulf war and the future of the region in a meeting with ambassadors from the nations which formed the coalition that liberated Kuwait.

The half-hour meeting, which was held yesterday in the South Hall of Government House, was attended by Foreign Minister Guido Di Tella and diplomatic representatives accredited to the Argentine Government from 18 countries that joined the coalition that fought in the Gulf.

Menem talked with the visitors about the development of the conflict, the ups and downs of the war that allowed the [words indistinct] the future of the region.

The meeting was attended by Saudi Ambassador Fu'ad Ahmad al-Nazir, Pakistani Ambassador Raja Tridiu Roy, Moroccan Ambassador Mohamed Boucetta, Italian Ambassador Ludovico Incisa di Camerana, Danish Ambassador Karl Frederik Hasle, Belgian Ambassador Thierry Muuls, Syrian Ambassador 'Abd al-Hasib al-Ustuwani, Canadian Ambassador Clayton George Bullis, Czechoslovak Ambassador Jaroslav Pavlicek, French Ambassador Pierre Richard Decamps, U.S. Ambassador Terence Todman, Egyptian Ambassador Hasan Ibrahim 'Abd-al-Hadari, Netherlands Ambassador Baron Schelte

van Heemstra, Norwegian Ambassador Erik Telman, British Ambassador Humphrey Maud, and Greek Ambassador Apostolos Anninos.

Spanish Charge d'Affaires Antonio Segura and Australian Charge d'Affaires William Alexander Rigg also participated in the meeting.

Israel's Levi Requests Support Against Iraq

PY0703220091 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2017 GMT 7 Mar 91

[Text] Buenos Aires, 7 Mar (NA)—Israeli Foreign Minister David Levi, in a letter addressed to his Argentine counterpart Guido Di Tella, asked today that the countries that made up the coalition that fought against Iraq in the Gulf war "maintain the sanctions" against that country "as long as it does not declare its peaceful intentions toward all nations in the region, including Israel."

The Israeli foreign minister also urged the coalition countries to commit themselves to demanding "the immediate destruction of missiles and the entire arsenal of chemical and biological weapons in Iraq."

In a letter sent by the Israeli foreign minister to his counterparts in the nations that participated in the Gulf war against Iraq, including Di Tella, he also asked that "an absolute ban be imposed on Iraq to prevent it from gaining the know-how, technology, equipment, and materials to manufacture weapons of massive destruction."

The Israeli foreign minister also urged the countries of the U.S.-led group to commit themselves to having Iraq "restrict its conventional arms to a quantity agreed upon and supervised by the allies, and to make a commitment not to attack Israel."

Levi eloquently praised the actions of the countries that fought against the government of Saddam Husayn in the conflict, noting that "they waged one of the most just wars against aggression and tyranny."

"Saddam Husayn has threatened to annihilate us, and during the conflict he actually attempted to carry out this threat, bombing Israeli cities and civilians," wrote the foreign minister. He noted that "the region should not continue to be subjected to aggression and violence any longer."

Di Tella Views Human Rights Vote, Policy Issues

PY0803040091 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2010 GMT 7 Mar 91

[Text] Buenos Aires, 7 Mar (NA)—Foreign Minister Guido Di Tella said today that the foreign policy being promoted by President Carlos Menem's administration "serves the country and its national interests." He also noted that the Argentine private sector's possible participation in the reconstruction of Kuwait "represents one of the positive consequences of that realistic policy."

Di Tella also justified Argentina's position at the United Nations on the need to investigate alleged human rights violations in Cuba, saying: "If we consider the Cuban Government's stance on the matter as the final word, it would be like asking Jorge Rafael Videla about human rights in Argentina under the military regime."

Di Tella made these statements this afternoon to members of the National Justicialist Council, who were briefed on several aspects of Argentine foreign policy.

The meeting was attended by Justicialist Party [PJ] President Eduardo Menem; Jose Octavio Bordon, secretary of the PJ Foreign Relations Committee; Entre Rios Governor Jorge Busti; PJ leaders Jose Luis Manzano, Roberto Garcia, Cesar Arias, Remo Constanzo, and Luis Rubeo; and others.

Di Tella said he agreed with National Justicialist Council members that foreign policy "must serve our country and its national interests."

He pointed out that the Foreign Ministry "is analyzing situations that are beneficial to the interests of the country, because national interests are the ones that must be defended, and they will be defended by our Foreign Ministry with foresight."

He said the possible participation of private businessmen in the reconstruction of Kuwait "represents one of the positive consequences that could result from this very realistic policy which protects our national interests."

As for Argentina's position at the United Nations on the need to investigate human rights violations in Cuba, Di Tella said that what is being discussed is "whether to take as a reference the opinion of the Cuban authorities, or to send a special mission to investigate the matter."

Di Tella said: "We think that when this type of matter is discussed, the Cuban Government's position should not be accepted as the final word; that would be like someone asking Jorge Rafael Videla about human rights in Argentina under the military regime."

Asked about the fact that almost all other Latin American governments abstained on the vote, Di Tella said he believed that Argentina "is leading a change in Latin American governments' attitudes toward Cuba and human rights." He stated: "If they are making progress on the human rights issue, as the Cuban Government says, then it will be necessary to conduct an investigation which includes an authorization to talk with nongovernmental groups."

Di Tella labeled press rumors that have circulated in Spain on the involvement of two members of the Yoma family in drug trafficking as "absurd and annoying." He said the government "has already been informed that these charges are false."

Concerning recent statements by Citicorp Chairman John Reed, Di Tella said the Argentine Government is seeking "to create a system in which investors can decide what is best for themselves. They are the ones who will have to take the risks, but they are not the ones who will make decisions on the policy to be followed by the government."

Di Tella said that the key to the new international order which is forming is the East-West accord, a situation that led to the fact that, even during such a serious situation as the Persian Gulf war, no one even hinted at the possibility that a new world war could break out." [no opening quotation mark as received]

On this subject, he said Argentina's position in the new international order "will undoubtedly be on the first team, not the second."

Asked about the possibility of achieving a definitive solution to the conflict in the Middle East, he said: "We must be realistic and realize that peace and tranquillity demand hard work and great efforts in negotiations, because various interests must be satisfied."

He pointed out: "Israel's right to exist is an essential element in establishing peace in the region, as are the rights of Palestinians."

Di Tella said that his visit to Brazil, Paraguay, and Uruguay tomorrow "has a purpose" and, because it is his first since taking office, it "will carry the message that we want to share our main interests with neighboring countries, which are very important and with which we share very concrete interests."

Vote on Human Rights Investigation in Cuba Viewed

PY0803003291 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1750 GMT 7 Mar 91

[Text] Buenos Aires, 7 Mar (NA)—Antonio Lopez, political adviser at the Cuban Embassy in Argentina, stated today that the UN vote on human rights in Cuba was a vote on the issue of "honor or dishonor," in terms of the U.S. position on the subject.

In a statement to NOTICIAS ARGENTINAS, Lopez quoted Cuban Vice Foreign Minister Raul Roa as saying that the dishonorable position "is that adopted by the United States and those countries that voted along with that country." The diplomat added that the "honorable position, therefore, is that adopted by those countries which refrained from voting or voted against."

Lopez insisted on noting that he was simply reiterating comments made by Vice Minister Raul Roa at the UN Human Rights Commission headquarters in Geneva.

Former Foreign Minister Dante Caputo said Argentina's decision to vote in favor of an investigation into alleged violations of human rights in Cuba reduces the country's "negotiating power."

In Geneva, Argentina voted in favor of a U.S. motion suggesting that an expert be sent to Cuba to investigate alleged violations of human rights. Most Latin American countries abstained from voting.

President Carlos Menem told foreign correspondents accredited to Argentina yesterday that the country maintained its traditional policy toward Cuba.

Caputo, who charted a course during Raul Alfonsin's administration which would have been against the U.S. motion, said the current government believes that, through this method, the country will "join the concert of powerful nations."

In a statement to Radio America, the Radical legislator said: "This reduces our negotiating power, since the possibilities of acting alone in the world are very narrow."

Caputo added that this supposed association with the powerful "has never worked" as a method. He said that this way of thinking is "simple and elementary" and is based on the theory that a "reward will come sometime."

He noted, however, that even countries like Mexico, which has established a free trade zone with the United States, abstained from voting. The former minister reflected: "We have out-Heroded Herod."

Minister Denies Suspension of Debt Payments

PY0803011091 Buenos Aires NOTICIAS ARGENTINAS in Spanish 2357 GMT 7 Mar 91

[Text] Buenos Aires, 7 Mar (NA)—Economy Minister Domingo Cavallo tonight denied a press report that the Argentine Government is going to suspend payments to creditor banks. He described the report as "a real fabrication."

Cavallo minimized a report stating that Foreign Minister Guido Di Tella had confirmed that Argentina would suspend payments. Cavallo added: "Either he was misquoted or he has been misinformed." Cavallo made these remarks at the end of a news conference in which a salary increase for government employees was announced.

Menem: In-Laws Reportedly Linked to Drug Case

PY0803023091 Buenos Aires BUENOS AIRES HERALD in English 7 Mar 91 pp 1, 11

[Text] (NA-DYN)—Two of President Carlos Menem's in-laws have been linked with a cocaine-smuggling ring being investigated by Spain's top narcotics judge, according to the Spanish magazine Cambio 16.

A five-page article in the magazine names Menem's private secretary, Amira Yoma, and former presidential adviser Emir Yoma, sister and brother respectively to estranged First Lady Yoma, in relation with the investigation.

President Menem came out in defence of his in-laws yesterday saying the Yomas are "hard-working people" and claiming there was "some kind of combination between Cambio 16 and Pagina 12," the Buenos Aires paper which carried the report yesterday.

Other players in the scandal came forward yesterday, including Emir Yoma, who appeared before reporters at Government House in the company of Presidential Spokesman Humberto Toledo saying that he and his brother Karim Yoma had just been cleared of any connection with the case by the Spanish authorities.

Meanwhile, estranged First Lady Zulema Yoma chided her husband for his defence of her brothers, contrasting it with the "contempt" he has shown for herself and his children. The President evicted his wife and children from the official residence in Olivos last year and Zulema Yoma yesterday confirmed she will soon start legal divorce proceedings against her husband.

Cambio 16 carries a picture of Menem and his wife on the cover of its latest issue, with the headline "Menem Relatives Under Investigation for Drug Trafficking."

According to Cambio 16 editor Juan Tomas de Salas—who was interviewed over the phone in Madrid by America radio station in Buenos Aries—Menem's in-laws have been accused by crew members of a ship in Cabo Verde from which 540 kilogrammes of cocaine were seized by the Spanish authorities.

Also accused by the drug-smugglers were Amira Yoma's ex-husband, Syrian Colonel Ali Ibrahim and Hydraulic Affairs Secretary Mario Caserta.

The case is being handled by Judge Baltasar Garzon, a well-known Spanish narcotics judge.

Emir Yoma was recently removed from his post in the aftermath of the uproar caused by an official letter from US Ambassador Terence Todman regarding the soliciting of bribes by government officials from US meat-packers Swift.

Amira Yoma is currently on a tour of the Middle East with Defence Minister Antonio Erman Gonzales.

Karim Yoma, a former Foreign Ministry official and another Menem brother-in-law, yesterday denied any involvement in the case, as well as any knowledge of the reports. Of Colonel Ibrahim, Karim Yoma said: "Although this man and my sister divorced each other over a year ago, she was married to him for about two months, I consider him a totally normal person until the contrary is proved."

Cambio 16 editor Salas was quick to point out that neither Menem nor Karim Yoma, who he said "has been accused by the US embassy," are involved in the case. He would not specify the alleged charges against Karim Yoma.

Emir Yoma also denied the allegations as he awaits the results of an investigation being conducted into the Swift affair by Judge Miguel Pons.

"I am awaiting the verdict of justice and I believe everything will be cleared up soon," he told Continental radio in an interview yesterday on the Swift case.

IDB Approves $200-Million Development Loan

PY0803024491 Buenos Aires BUENOS AIRES HERALD in English 7 Mar 91 p 3

[Text] (DYN)—The Interamerican Development Bank (IDB) yesterday announced that it had approved a 200 million-dollar loan to Argentina. The money is earmarked for financial restructuring and economic development in the provinces and in the federal capital.

The loan matures in 20 years. It carries a variable interest rate, which for the moment is 8.05 percent. There is a five-year grace period.

The aim of the loan is to help the provinces to generate the fiscal surpluses which will be necessary to finance public works projects and provide public services.

The IDB also revealed yesterday that a further loan of 41.3 million dollars is now ready to be approved. This latter, which was agreed last December, is destined to finance a programme of modernization of agricultural services.

Bolivia

Foreign Minister Terms U.S. Relations 'Normal'

PY0803032091 La Paz La Red Panamericana in Spanish 0000 GMT 8 Mar 91

[Text] Relations between Bolivia and the United States are normal and Bolivia, through its Foreign Ministry, is negotiating economic aid for various development programs and the struggle against drug trafficking.

Bolivian Foreign Minister Carlos Iturralde has indicated that, following the president's instructions, the Foreign Ministry has begun a review of and negotiations on the economic aid the United States is providing to our country.

[Begin Iturralde recording, in progress] ...not a single cent has been disbursed yet; first, there was a delay in the approval of the U.S. budget; and second, obviously, because of the situation in the Gulf at the time.

At any rate, we have continued negotiating during these past two months; all the time [words indistinct] (?issues) pending with the United States. [end recording]

Asked about the notes that the drug trafficking committees (?had submitted asking) the Foreign Ministry to investigate the reports published by a North American

newspaper (?against government officials), the foreign minister said that is the way it will be done.

Negotiations With COB End; Workers Dissatisfied

PY0603174891 La Paz PRESENCIA in Spanish 2 Mar 91 p 6

[Excerpts] The negotiations between the Bolivian Labor Federation [COB] and government representatives ended yesterday after 30 days af meetings. Labor leaders said that the final salary proposal, which was included in a decree that regulates salary increases for this fiscal year, does not meet the workers' needs.

Despite the government decision, the COB executive committee engaged in a dialogue with the president of the Republic, hoping that his social consciousness will make the government grant some of the unmet demands listed on the petitions. [passage omitted]

Leader Carlos Camargo said that the negotiations are now in the hands of President Paz. "We are not trying to break off the dialogue. On the contrary, we believe that considerable progress has been made and that negotiations can improve," he said. [passage omitted]

From the viewpoint of the COB, the decree on salary increases will not prevent mobilization. Labor leaders believe that the decree will cause relations between the government and the COB to deteriorate.

The COB executive committee ordered the mobilization to begin Thursday, 7 March, with marches in all department capitals. The marches will be headed by the regional and departmental labor federations, in coordination with civic committees.

There are hopes that with his good offices, the president will give a favorable answer to the unmet demands listed on the petitions submitted in 1990. Workers warned that if their demands are not met, a general strike and a hunger strike by labor leaders will mark the beginning of the social mobilization.

IDB Loans $80-Million to Development Agency

PY0603223091 La Paz EL DIARIO in Spanish 2 Mar 91 p 6

[Summary] The Inter-American Development Bank (IDB) has granted a $80-million loan to the Andean Development Corporation (CAF). The agreement was signed by IDB President Enrique Iglesias and CAF Executive President Galo Montano Perez. The loan will be used to finance investment projects, trade operations, and the production and trade of capital goods in the public and private sectors.

Japan Makes Donation for Structural Adjustments

PY0603221691 La Paz PRESENCIA in Spanish 28 Feb 91 p 6

[Summary] The Japanese Government yesterday donated $7 million to help Bolivia's structural adjustment efforts. The signing ceremony for the agreement took place at the Foreign Ministry. Japanese Ambassador to Bolivia Toshio Takahata and Foreign Minister Carlos Iturralde spoke on the occasion.

Inflation Rate Totals 0.27 Percent for Feb

PY0603221291 La Paz PRESENCIA in Spanish 2 Mar 91 p 4

[Summary] The National Statistics Institute has officially reported that inflation in February totaled 0.27 percent and that the accrued inflation rate for the first two months of the year is 6.12 percent.

Brazil

Foreign Minister Francisco Rezek Interviewed

PY0703185891 Sao Paulo FOLHA DE SAO PAULO in Portuguese 1 Mar 91 Second Section p 8

[Interview by Foreign Minister Francisco Rezek with FOLHA DE SAO PAULO reporter Roberto Lopes in Brasilia; date not given—passages in parentheses indicate editorial commentary]

[Text] [Lopes] When I was in Baghdad covering the negotiations conducted by three special Itamaraty envoys for the release of the Brazilians that were being held in Iraq, I learned that they were trying to convince the Iraqi officials to release the Brazilians with the promise that once the crisis is over, Brazil would resume relations with Baghdad. Has that position changed?

[Rezek] In the contacts I made with the Brazilian companies that deal with Iraq, I felt that they are tired of confronting the Iraqi Government. This is bureaucracy, the chronic problem of not paying debts. In sum, there are many issues that are difficult to solve. This does not mean that we do not want to reestablish trade with Iraq. We want to be friends with Iraq, but without any preferential relationship.

[Lopes] Is that reestablishment of commercial ties linked to Saddam Husayn's remaining in power? Will it be easier to resume that relationship if the Iraqi Government were different?

[Rezek] I would say that the two things are related.

[Lopes] That position you are expressing comes just as we are enhancing our relations with Iran. Are we going to replace Iraq by Iran as our main Middle East partner?

[Rezek] The enhancing of relations with Iran began before the Gulf crisis began. The Iranians intend to spend $12 billion in trade with Brazil in their next 5-year

trade period. I would like to stress the fact that the government of President 'Ali Akbar Hashemi-Rafsanjani seems to be very serious, a government loyal to the fulfillment of its commitments, and that pays its debts according to the previously set schedule. Moreover, Iran is a country with a strong economy.

[Lopes] Will the government allow exports of weapons to Iran?

[Rezek] Yes, but within a new perspective. We hope to establish three main guidelines for exports of national weapons. First, that the weapons we export be defensive, not offensive. There seems to be a very small difference here, but the military know how to differentiate between them very well. Second, that we will be completely convinced that those weapons will not be enough for the purchasing country to begin a war. Third, that the export of weapons will not figure as the main trade item with any country. You will see that if weapons are included on our list of exports to Iran, they will appear in a very small scale.

[Lopes] Did you find out what Brigadier Piva was doing in Iran?

(FOLHA published an article on 22 February stating that Piva is offering two rocket models—one of them with a 1,000-km operational range—to the Iranian Military Industrialization Ministry.)

[Rezek] No, I did not. I admit, however, that reports on his businesses in Iran are true. I cannot understand how a retired brigadier can cause so much harm to the Brazilian foreign policy. I do not accept that from a former public employee, just as I would not accept it if a retired Brazilian ambassador offered his services to the U.S. Department of State. Besides, Brigadier Piva has done all this business without reporting anything to the Aeronautics Ministry....

[Lopes] Are you sure that the Aeronautics Ministry knew nothing about his business?

[Rezek] I am absolutely sure that Aeronautics Minister Brigadier Socrates knew nothing about it. No one knows where Piva is.

[Lopes] The U.S. ambassador to Brazil has granted an interview saying that no country can "sit on the fence" and watch the Gulf crisis. Apparently, Washington would like to see Brazil criticize more clearly Saddam Husayn's policy.

[Rezek] All I can tell you is that President George Bush did not say that to President Collor, Secretary James Baker did not mention it to me, and Deputy Secretary Eagleburger did not discuss it with Itamaraty Secretary General Marcos Azambuja. I admit that some sectors of the U.S. Government would like to hear Brazil criticize the Gulf crisis more emphatically. I respect all other countries, but I am the foreign minister of Brazil and not the foreign minister of any other country. We are charged with being passive watchers, with "sitting on the fence," watching the events. Nonetheless, I know of no other country being as swift as Brazil in transforming the UN resolutions into laws.

Government To Choose Foreign Satellite Launcher

PY0703155691 Rio de Janeiro O GLOBO in Portuguese 28 Feb 91 p 23

[By Jose Eustaquio de Freitas]

[Text] Sao Jose dos Campos—The Brazilian Government will use its political judgment in its choice of the rocket that will, next year, launch the first data-collecting satellite to have been designed and built in the country by the National Institute of Space Research (INPE).

Considering the cost and the technological cooperation offers, the Aeronautics Ministry would rather opt for the proposal submitted by the Soviet enterprise Glavkosmos, but will leave open the possibility of choosing the U.S. rocket Pegasus, as an example of rapprochement with the United States.

Both rockets cost approximately $10 million each, but the Soviet proposal includes the transfer of technology, the possibility of using the Alcantara launching site (Maranhao) for the launch, and the initiation of a broad space cooperation program. The U.S. proposal is based on a system in which the rocket is launched from a plane at an altitude of 10,000 meters.

The choice of launch vehicles was the main topic of discussion at a meeting of the Brazilian Council for Space Activities held at INPE. The council will submit to President Fernando Collor de Mello a report on the proposals, but will give the government the option to decide based on the interests of Brazilian foreign policy.

According to military sources, the Soviet proposal is more advantageous, but political factors must be considered, especially in the wake of the dubious positions adopted by Brazil in relation to the Persian Gulf war. According to those sources, choosing the Soviet rocket could widen the gap between the Brazilian foreign policy and U.S. interests.

Feb Inflation Rate Totaled 21.87 Percent

PY0703211091 Madrid EFE in Spanish 1633 GMT 7 Mar 91

[Summary] Brasilia, 7 Mar (EFE)—The Brazilian Institute of Geography and Statistics (IBGE) reported today that the February inflation rate totaled 21.87 percent, despite the Collor Plan price freeze.

Chile

Generals Release Communique Supporting Pinochet

PY0703175091 Santiago Radio Chilena Network in Spanish 1600 GMT 7 Mar 91

[Relay by Claudio Lefort from Army Headquarters]

[Text] The Corps of Army Generals has again rejected the comments made against Army Commander General Augusto Pinochet and has reiterated its loyalty to him.

This statement comes in a communique delivered by the Army Public Relations Department following the meeting held this morning in the War School, in La Reina District. All the Army generals participated in the meeting which sought to evaluate the Truth and Reconciliation Commission report on the violation of human rights under the military regime.

The official Army communique says that the Corps of Generals of the Chilean Army met to evaluate the Truth and Reconciliation Commission report. Before the report was evaluated, and considering the serious statements made by some socialists and socialist inclined leaders against the permanence of the Army chief in his position, the Corps of Generals found it necessary to state that:

1. It categorically rejects that type of statement and any other similar statement which flagrantly contradict the feeling of institutional support for the Army chief.

2. The Corps of Army Generals reiterates its unrestricted loyalty for the Army commander in chief.

The communique concludes by saying that attitudes of this type reflect the lack of understanding of the current institutionality and go against the spirit of national reconciliation expressed by his excellency the president of the Republic, which is supported by the majority of Chileans.

The communique was signed by the Corps of Army Generals.

Today's meeting at the War School, where the generals are evaluating the Rettig report may, according to some military sources the meeting, continue tomorrow. As reported by our mobile unit this morning, Gen. Pinochet arrived at the War School at 0815 to start the meeting officially at 0900. Twenty-five minutes later Gen. Pinochet left the War School without making any comment, but it was made known that he would be coming in and out of the meeting. This is all the information we have from the Army Headquarters.

Aylwin's Letter to Supreme Court Disclosed

PY0703153691 Santiago Radio Nacional de Chile Network in Spanish 1000 GMT 7 Mar 91

[Text] Justice Minister Francisco Cumplido has disclosed the contents of the letter sent by President Patricio Aylwin to the Supreme Court. He used it to give authority to the appropriate courts and thus expedite the pending judicial cases included in the Rettig Commission report.

The letter read by Cumplido shows the thinking of the president on this issue.

[Begin Cumplido recording] I am convinced that doing justice in these cases is important for the national community. The government branch should all carry out the duties within their jurisdiction, and I am the first to respect this commitment. I would not be at ease in my mind if I did not convey to the honorable Supreme Court that I believe that the amnesty currently in force, which the government respects, should not and must not obstruct a judicial investigation that seeks to establish responsibilities in the cases of missing people. [end recording]

The letter submitted by President Aylwin to the Supreme Court recalls that Article 5 of the Constitution establishes that it is the duty of the state organizations to respect and promote the current guaranteed rights, such as the right to justice. Aylwin's letter also refers to constitutional regulations.

[Begin Cumplido recording] I believe that a systematic interpretation of the constitutional regulations, all complementary legislation, and the current treaties demand that required investigations should be carried out to determine the existence of crime, the identification of those responsible, and their subsequent penal and civil punishment if appropriate. Many of the crimes committed against the arrested and missing have not been proscribed, therefore they can, and must, be investigated. [end recording]

Aylwin's letter emphasizes his confidence in the Supreme Court, which will implement the necessary measures to have the courts handle these cases with greater zeal and speed.

Supreme Court Denounces Threat Campaign

PY0703232291 Santiago Radio Nacional de Chile Network in Spanish 2200 GMT 7 Mar 91

[Text] The Supreme Court decided at a special session to convey its concern to President Patricio Aylwin, the Interior Ministry, and the National Security Council over recent threats against high-ranking court officials and particularly the frustrated plot—allegedly sponsored by the Manuel Rodriguez Patriotic Front—to murder two justices.

In another special session, the Supreme Court continued to analyze President Patricio Aylwin's letter on the Truth and Reconciliation Commission report. Reliable Supreme Court sources said the Supreme Court will finish its study of the Rettig report next week. The

Supreme Court will then answer the president's request to investigate human rights violations before applying the amnesty law.

Aylwin Responds to Supreme Court Request

PY0803012491 Santiago Television Nacional de Chile Network in Spanish 2315 GMT 7 Mar 91

["Text" of letter from President Patricio Aylwin to the Supreme Court, read by Secretary General of Government Enrique Correa from La Moneda Palace—live]

[Text] In view of Notification 001178 today, conveying a unanimous request from the Supreme Court for security measures to guard the integrity and lives of Supreme Court members and their families, and a demand for basic guarantees of respect for the independence of that state branch, I wish to point out the following:

1. Your request states that, quote, the public intervention of certain high-ranking officials, as well as of other government personalities, whether acting in their official capacity or not, unquote, has contributed to a climate of animosity against the judicial branch.

Regarding this matter, I consider it necessary to note that the government is not aware of any attitude, conduct, or statement from any authority that could be construed to mean what is related in the paragraph above. If the most excellent tribunal has knowledge of any such situation, it would be convenient for it to make the knowledge explicitly public in the understanding that this president will not support this conduct if it does occur.

The government has not noted the existence of elements endangering the stability of the institutional order or the present state of law. During my administration, the judicial branch has freely exercised and continues to freely exercise its functions. It has also had the full support of the executive branch whenever any threat, pressure, or coercion, whatever the source, affected it.

2. The executive branch has acted swiftly and efficiently every time there was a report on a situation that could have caused a disturbance in the activities of that state branch. Yesterday that most excellent tribunal complained about public disorders affecting its building. The executive branch immediately issued instructions, which were reported to that high court, to adopt measures to prevent a repetition of the incident.

Regarding threats against the lives or security of some members of that most excellent court, at the request of the president the interior minister called upon your excellencies to reveal the information that the government had on the subject, even though it was sketchy. The same ministry later submitted a report to your excellencies and instructed a high-ranking Carabineros chief to visit your excellencies to explain the report.

In any case, regardless of the continuation of the investigation or its possible consequences, the government will adopt all necessary measures to fulfill its obligation to guarantee the lives and property of its population. If the high court feels that the government must order further measures, in addition to the ones it has already adopted, it would be helpful if the court could make concrete proposals.

3. Additionally, your excellencies know that according to Letter D, Article 4, Law 12927, those who incite, induce, aid, or carry out attacks against authorities included in Letter B, Article 6, of the same law, which includes members of the Supreme Court, commit the crime of disrupting internal security. According to Article 26 of that law, it is the responsibility of the courts to begin the appropriate legal action. Consequently, if the Supreme Court believes that events which may constitute a crime have been committed, it must initiate the appropriate legal action.

4. Regarding your most excellent decision to convey your concern to the National Security Council, I have instructed the council's secretary, in my capacity as council president, to transmit your note, together with this document, to all other members of the honorable council.

May God bless your excellencies.
[Signed] Patricio Aylwin Azocar
President of the Republic.

Foreign Victims Listed in Human Rights Report

PY0603141091 Madrid EFE in Spanish 0324 GMT 6 Mar 91

[Text] Santiago, 5 Mar (EFE)—The report by the Truth and Reconciliation Commission says that 38 foreigners, including 26 Latin Americans, are listed among the 2,279 victims of repression under the regime of General Augusto Pinochet.

The report, which was disclosed to the country by Chilean President Patricio Aylwin in a 4 March speech broadcast on radio and television, concentrates on the human rights violations cases involving dead and missing and occurring between September 1973 and March 1990.

The last two volumes of the report give information on the victims of the repression in Chile. The largest number of foreign victims from a single country are 16 Argentines, including eight Argentine Chileans.

The names of the Argentine victims are Carlos Rodolfo Adler, Jose Luis Appel, Miguel Angel Atanasiu, Pablo Atanasiu, Patricio Biedma, Roberto Cristi, Beatriz Elena Diaz, Bernardo Leidermann, Matilde Pessa, Jacobo Stoulmann, Claudia Poblete, Jose Liberio Poblete, Jaime Nury Riquelme, Guido Arturo Saavedra, Jorge Sagauta, and Guillermo Tamburini.

There are three Uruguayans: Julio Cesar Fernandez, Alberto Santiago Fontela, and Nelsa Zulema Gadea. There are also three Bolivians: Luis Bush, Donato Quispe, and Enrique Antonio Saavedra.

There are two Brazilians: Jose Wannio de Mattos, 47, and Tulio Roberto Quintiliano, 29.

The report also includes Peruvian Percy Arana, a 22-year-old singer who was beaten and shot when he was mistaken for an extremist.

Mexican Maria del Rosario Avalos Castaneda, 24 years of age, married and the mother of a son, was executed in December 1973 by a military patrol in Gualliguayca, Vicuna, 500 km north of Santiago. The same patrol took her son to a convent in La Serena.

The Mexican woman completes the group of 26 Latin Americans listed as the victims of repression by the Chilean military regime.

The other foreigners listed as dead or missing are four Spaniards, two French Chileans, one Italian, one British Chilean, one Swiss Chilean, one Yugoslav Chilean, one Czech, and one Vietnamese.

The report indicates that among the 2,279 victims there are 815 cases of death by torture or execution and 957 who were arrested and remain missing. The commission believes, however, that they were murdered.

Government Donates $50,000 to Unicef Gulf Fund

PY0703205691 Santiago Radio Nacional de Chile Network in Spanish 1000 GMT 7 Mar 91

[Text] Our country is ahead of the rest of the world in delivering the first donation to Unicef to take care of the urgent needs of the children of Kuwait and Iraq following the war.

Juan Somavia, Chilean ambassador to the United Nations, delivered a check for $50,000 to UN Secretary General Javier Perez de Cuellar in response to a call to the international community to contribute to ease the suffering of children and mothers in the countries directly affected by the war.

Colombia

President Reiterates Call for New Social Pact

PA0803043091 Bogota Inravision Television Cadena 2 in Spanish 1730 GMT 6 Mar 90

[Text] President Cesar Gaviria Trujillo demanded that all Colombians join efforts to face the corrosion of institutional legitimacy.

Speaking at the inauguration of the Long Live Citizenship campaign, Gaviria cited President Kennedy as saying that we should not always ask what the nation can do for us, but what each one of us can do for the nation. Gaviria once again called for a new social pact as the only way Colombians can actively participate in finding in-depth solutions to the country's problems.

Here is part of President Gaviria's speech.

[Begin recording] I am not merely referring to channels for the political participation of forces different from the traditional parties. That argument, so often used by dissatisfied people and by violent people who describe themselves as discontent, is losing strength. The emergence of new political forces has shown in an overwhelming and highly exemplary way, as we have already seen in neighboring countries, that ideas are more powerful than bullets. [end recording]

Following President Gaviria's call, Government Minister Humberto de la Calle Lombana reiterated the current administration's willingness to find a political solution to the conflict created by the guerrillas, but without imposing conditions that interfere with institutional legitimacy.

[Begin De la Calle recording] I reiterate: The government's commission is willing to meet anywhere in the national territory. It has even been said that there is now a method consisting of talking through radio telephone to discuss the characteristics and details for a meeting abroad. Once the site for the meeting is chosen, the government will guarantee the security of the participants, and even their transportation, if necessary. I believe that this offer enough guarantees. They could even be accompanied by government officials. [end recording]

Paraguay

Colorado President Explains Resolution on Debt

PY0603225591 Asuncion HOY in Spanish 6 Mar 91 p 12

[Excerpt] Six days after President Rodriguez' reaction to the resolution issued by the Colorado Party [ANR] Executive Board related to the foreign debt, ANR President Luis Maria Argana agreed to talk to the press, and explained the situation somewhat. He said: "It is obvious that General Rodriguez misinterpreted the resolution. We believe that it could be beneficial for the government to be seen to be handling situations in a clear manner and with plenty of press coverage."

He recalled that the resolution was approved by a vote of 24 to six. This means that not just the autonomous traditionalists voted for the resolution, outstanding leaders such as Waldino Ramon Lovera of the Mopoco [Colorado Popular Movement], and Eugenio Sanabria Cantero, of the Renewal [democratic] Traditionalist faction also voted for it.

Argana added that things must be interpreted with patriotism. The call to the government for clear, transparent handling of the foreign debt was filled with

patriotism, filled with concern. The government is calling for transparency to avoid presumptions and to prevent the people from becoming suspicious of the government. [passage omitted]

Peru

President Fujimori Visits 2d Military Region

PY0603214991 Lima RTP Television Network in Spanish 1800 GMT 6 Mar 91

[Excerpts] Following today's visit to the 2d Military Region, President Alberto Fujimori said that the economic and logistical situation of the Armed Forces will be improved. [passage omitted]

Fujimori said that in his capacity as the Armed Forces chief, he was pleased with his first contact with a military region. He said that he had found that discipline, courage, and stoicism prevail in the Armed Forces. He added that this was an opportunity to greet the officers and troops who courageously risk their lives in the struggle against subversion.

Concerning the salary increase that is being sought by the relatives of NCO's [noncommissioned officers] and soldiers, Fujimori said that the government is making every effort to improve the economic and logistical situation of the Armed Forces.

[Begin Fujimori recording] I also want to take this opportunity to convey my full support to all military men who risk their lives in the struggle against subversion. I want you to know that we are making every effort to improve the operational capacity of our Armed Forces and the economic situation of the military personnel within the limits of the serious crisis that we have inherited.

I want to tell you that my first visit to this unit has been very satisfactory. I am satisfied because I found order, discipline, and a clear feeling of loyalty toward the Constitution and the fatherland. [end recording]

Finally, President Fujimori met with high-ranking military officers.

Uruguay

Government Cuts Taxes Anticipating Common Market

PY0703172091 Madrid EFE in Spanish 1934 GMT 6 Mar 91

[Text] Montevideo, 6 Mar (EFE)—The Uruguayan Government has decided to remove all taxes from imported capital goods until June 1992 in an effort to encourage industrial restructuring and in view of the possibility that Uruguay may join the Southern Cone Common Market (Mercosur), which includes Argentina, Brazil, and Paraguay.

This measure was announced today by Uruguayan President Luis Alberto Lacalle. It seeks to exempt imported machines and industrial equipment from taxes and thus help the industrial restructuring and the technological improvement of the productive sector.

Lacalle said that the objective of the measure is "to place domestic industry in the best condition of competitiveness so that it can confront the huge challenge of entering a consumer market of 150 million people."

Uruguay measures 180,000 square km and has 3 million inhabitants, consequently it is the smallest and least populated country among those which make up the Mercosur.

Lacalle said that Uruguayan businessmen and industrialists who want to improve their equipment or want access to the most modern technology "now have easier terms as a result of this tax exemption system."

Lacalle also announced that the Banco de la Republica will grant credits to enterprises that support the industrial restructuring and help Uruguay to join the Mercosur. He said that the government is taking steps to ensure that the IDB [Inter-American Development Bank] and other international financial organizations will finance the industrial restructuring.

Economic Minister Enrique Braga said that these imports will be exempt from all taxes until 30 June 1992.

He said that this measure must be urgently implemented and it will be regarded as unique "because otherwise we will be giving wrong indications over the future policy on imports."

The establishment of a deadline seeks to "speed up decisions by businessmen, considering that the Mercosur process will take place in a very short period of time, and the industrial sector will have only a few years to effectively begin operations."

Official spokesmen have admitted that the Mercosur can generate insurmountable difficulties for some Uruguayan enterprises in the face of their neighbors' competitiveness.

The Mercosur seeks to free trade among its members with a gradual lifting of tariffs that will come into force on 1 January 1995.

The founding document of Mercosur will be signed in Asuncion, Paraguay, on 26 March in the presence of the presidents of the four countries that make up this organization.

Guyana

Customs Chief Corrects CET Misinformation

FL0703010491 Bridgetown CANA in English 2215 GMT 6 Mar 91

[Text] Georgetown, Guyana, March 6, CANA—Guyana's customs chief, Clarence Chue, on Wednesday corrected an earlier announcement that the Caribbean Community (Caricom) [Caribbean Common Market] Common External Tariff (CET) had gone into effect here last Friday.

Chue said the tariff, being introduced by all common market member countries, actually took effect here on Tuesday. Last Friday was a national holiday and there were a few technical problems that had to be ironed out before implementation, he said.

Chue also corrected a statement he gave that the CET had triggered no major problems. He said Wednesday it was still too early for him to give an "assessment of any problems with the CET."

"We have not heard any feedback from...importers and manufacturers, but that does not say that there are no problems. It is much too early for us to find out." He promised a more detailed and informed examination would be possible towards next weekend.

As a result of the CET, all foodstuff imported from extra-regional sources will have to pay a 15 percent increase in tariff rates from 30 to 45 percent. Imported beer not brewed within Caricom will attract a 100 percent tariff. Foreign cigarettes will also attract similar rates.

The CET is aimed at protecting fledgling regional industries from outside competition.